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Economic Impact of the Georgia Green Industry, 2018

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Georgia Green Industry Overview

The Georgia Green Industry consists of wholesale nursery, greenhouse, turfgrass sod producers, landscape design, construction/maintenance firms and wholesale and retail distribution firms (e.g., garden centers, home stores, mass merchandisers with lawn/garden departments, brokers/rewholesale distribution centers, and allied trade suppliers (Hodges et al., 2015).

As the Georgia Green Industry continues to change and adapt to new market conditions, it is essential to understand the impact of the industry on the state and regional economies. This publication provides the dollar impacts as well as employment associated with the Georgia Green Industry.

Georgia Green Industry Statistics: 2018

- **10th ranked state in Green Industry total economic impact and employment**
- **\$9.97 billion in total regional impact**
 - **38,202 in direct employment**
 - **66,527 in total employment**
- **2nd ranked state in direct and indirect output contributions in the Southeast U.S.**
- **3rd largest agricultural farm gate value (including container nursery, field nursery, greenhouse, and turf) in the state (Center for Agribusiness and Economic Development, 2020)**

A multi-state assembly of agricultural economists and horticulturists have joined together under the auspices of the USDA multi-state group (currently S1087) to form the Green Industry Research Consortium. Over the past 30+ years the Consortium has conducted research on a wide variety of topics within the industry. Notably, for this report, the Consortium develops economic impact estimates every five years for each state in the U.S. to better understand trends and impacts of the industry. Using data from this group, published by Hodges et al. (2015) and

Khachatryan et al. (2020), and other resources as noted throughout the rest of the factsheet, this report strives to understand the current (2018) state of the Georgia Green Industry.

Overall state of the Green Industry in the U.S.

The total value added economic contributions (GDP contributions, including labor income, other property income, and business taxes) of the U.S. Green Industry in 2018 was estimated at \$191 billion and employment impacts were 2.3 million jobs either directly or indirectly related to the industry (Hall et al. 2020). The largest Green Industry segments in terms of employment and value added contributions were landscaping and horticultural services (with estimated 1,460,669 jobs and \$221.89 billion value added), greenhouse, nursery and floriculture production (with 217,574 jobs, \$28.69 billion), and lawn and garden equipment and supplies stores (with 292,614 jobs, \$43.80 billion).

Overall State of the Georgia Green Industry

Georgia ranked 2nd in the Southeast (13th in the U.S.) for direct sales with \$3.053 billion in revenues across greenhouse/nursery production, lawn/garden equipment manufacturing, farm/garden equipment/nursery/florist wholesalers, lawn/garden equipment and supplies stores, florists, and landscape architecture and services. The Georgia Green Industry had a regional impact of \$9.972 billion which ranks 2nd in the Southeast (10th in the U.S.). The Georgia Green Industry had a \$5.512 billion valued added contribution (GDP contribution) which includes labor income, other property income (e.g., rents, royalty, corporate profits), and business taxes. The Georgia Green Industry also contributed \$472 million in state taxes, \$745 in federal taxes, and \$3.5 billion in labor income.

The industry employed 10 people per 1,000 persons and contributed \$525 per person in GDP.

Georgia ranked 2nd in the Southeast (10th in the U.S.) for direct and regional employment contributions with 38,202 and 66,257 jobs, respectively. This implies the Georgia Green Industry was directly responsible for over 38,000 jobs and indirectly responsible for over 66,000 jobs. Thereby, the Georgia Green Industry contributes 104,729 jobs in Georgia and the surrounding region.

In comparison to the previous study of 2013, U.S. Green Industry direct output decreased by 32% (\$4.5 billion to \$3.1 billion) while regional economic contributions increased by 48% (\$6.7 billion to \$10 billion). Direct employment decreased by 20% from 47,555 in 2013 to 38,202 in 2018, but indirect employment increased by 4% from 64,066 in 2013 to 66,527 in 2018. GDP contributions increased by 45% from 2013 to 2018 (\$3.8 billion to \$5.5 billion).

The largest individual sector in regard to outputs and employment, both directly and indirectly, was landscape and architectural services (Table 1), representing nearly 64% of direct industry employment, 65% of direct output, 66% of regional economic output, and 64% of value added contributions. Farm/garden equipment/nursery/florist wholesalers were the second biggest sector by employment and impact followed by greenhouse/nursery production.

As can be seen by the economic impact, the Georgia Green Industry has a significant impact on the Georgia and regional economies. This impact has increased since the last Green Industry Survey conducted in 2014.

References

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Table 1. Economic Impact of the Georgia Green Industry in 2018.

	Employment Reported (Jobs)	Employment Contributions (Jobs)	Labor Income Contributions (M\$)	Value Added Contributions (M\$)	Output Contributions (M\$)	State Taxes Contributions (M\$)	Federal Taxes Contributions (M\$)	Direct Output- Sales (M\$)
Industry Sector	Employment in Industry	Employment Contributions	Labor Income Contributions	Value Added Contributions	Output Contributions	State Taxes Contributions	Federal Taxes Contributions	Direct Output (Sales)
Greenhouse and nursery production	2,968	4,163	205	305	549	14	42	260
Lawn / garden equip. manufacturing	390	1,688	103	187	549	11	24	182
Farm / garden equip. / nursery / florist wholesalers	4,774	6,150	335	638	753	96	82	182
Lawn / garden equipment and supplies stores	4,590	8,545	390	694	1,279	92	82	386
Florists	1,192	2,574	103	150	248	18	21	68
Landscape architecture and services	24,288	43,407	2,365	3,539	6,594	241	493	1,974
Overall	38,202	66,527	3,500	5,512	9,972	472	745	3,053