

THE IMPORTANCE OF AGRIBUSINESS TO THE BI-STATE ECONOMY

Prepared by the St. Louis Agribusiness Club
January 2010

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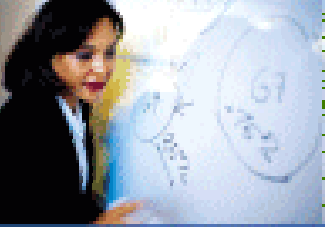


OVERVIEW OF AGRICULTURE

- Planet Earth is home to 6.8 billion people
- 7 billion are expected by 2012
- Experts say by the year 2050, our planet will have a population of 9 billion
- Feeding the world's population will be the responsibility of an efficient and productive agriculture

GROWING FARM PRODUCTIVITY

- In the 1940s, one farmer supplied 19 persons in the United States and abroad*
- Now, one farmer supplies food for 155 people* - 117 in this country and 38 abroad



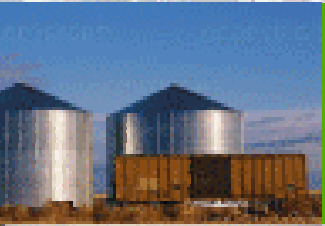
WHAT IS AGRIBUSINESS?



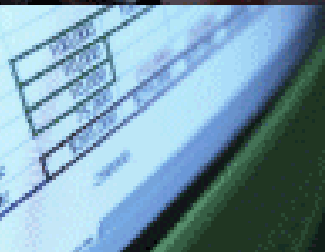
Agribusiness is a broad term encompassing all aspects of agricultural production, processing and distribution.



- Food, forest and fiber production
- Agribusiness/farm management
- Seeds and traits, chemicals and other inputs
- Agricultural finance and trade
- Agro-environmental considerations
- Byproduct utilization
- Land development



In short, all of the major elements essential to the establishment and operation of efficient agro-food enterprises





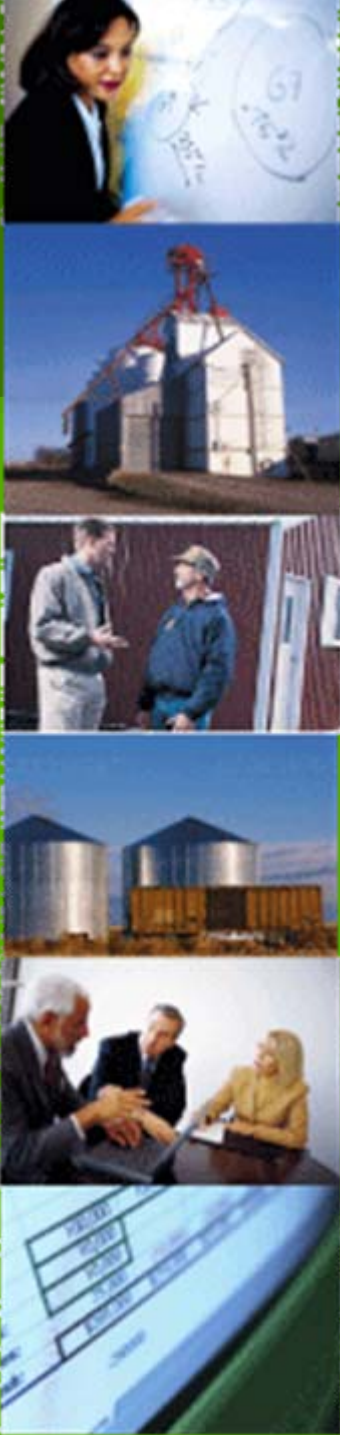
*The Bi-State Region is
the Gateway to
American Agriculture*



Within 500 Miles of St. Louis



- \$131 billion in crop and livestock production
- 44% of all U.S. farm production by value
- 77% of all U.S. corn acres
- 81% of all U.S. soybean acres



METROPOLITAN STATISTICAL AREA



Missouri

Franklin
Jefferson
Lincoln
St. Charles
St. Louis
Warren
Washington



Illinois

Bond
Calhoun
Clinton
Jersey
Macoupin
Madison
Monroe
St. Clair

LAND IN FARMS



3,075,775

ACRES

56% of Total
Land Area

Land in farms is defined as all land operated by farms during the year. It includes crop and livestock acreage, wasteland, woodland, pasture, land in summer fallow, idle cropland, and land enrolled in the Conservation Reserve Program and other set aside or commodity acreage programs.

NUMBER OF FARMS IN THE BI-STATE



12,686 Farms
242 Acres
(Average Size)

A farm is defined as any establishment from which \$1,000 or more of agricultural products were sold or would normally be sold during the year. An operation with one or more horses, Christmas tree farms and farms that were wholly enrolled in the Conservation Reserve Program were included in the Census farm count.

MARKET VALUE of CROPS & LIVESTOCK



- **Agricultural Products Sold** → **\$1.1 billion**
Up 48% in 5 years
- **Crops** → **\$793.4 million**
- **Livestock, Poultry and Their Products** → **\$201.5 million**

2007 Census of Agriculture, USDA National Agricultural Statistics Service
St. Louis Metropolitan Area



VALUE OF AG COMMODITIES IN THE BI-STATE AREA (Millions)



Hogs & Pigs
\$82.1



Cattle & Calves
\$62.9



Nursery & Greenhouse
\$47.4



Vegetables, Melons
\$10.4



Other Livestock
\$57.3



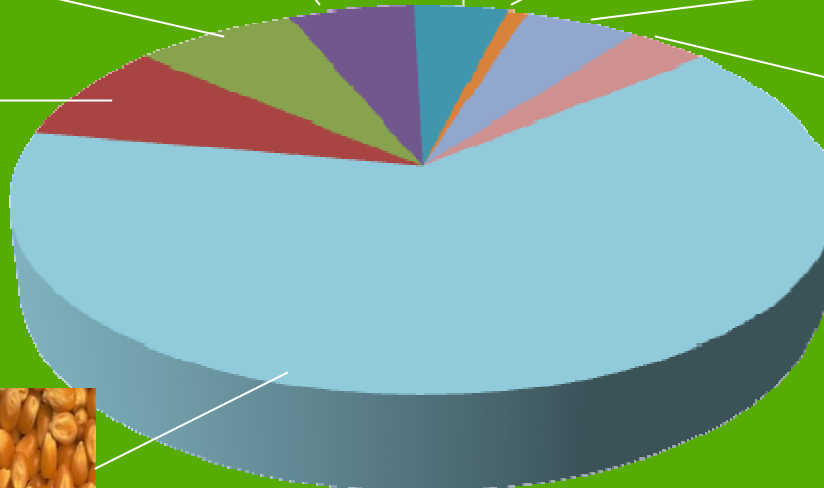
Other Crops
\$40



Milk & Dairy
\$89.2



Grains & Oilseeds
\$695.6



**Total Value
\$1.1 Billion**

RIVER TRANSPORTATION



- Agriculture-related shipping through the Port of St. Louis and Chain of Rocks Lock total 40 million tons annually
43 percent of all cargo

- 60 percent of all U.S grain exports move to world ports via the Upper Mississippi and Illinois River systems accounting for \$8.5 billion in exports

National Corn Growers Association, Inland Waterways Issue Brief, 2009

U.S. Army Corp of Engineers, Ports by Commodity, 2007, Lock 27 Traffic Report ,2009

GLOBAL AGRIBUSINESS IMPACT



\$75 BILLION

While not directly comparable, this would equate to 61% of the gross domestic product of the St. Louis Metropolitan Statistical Area

St. Louis AgriBusiness Club, 2007 Census of Agriculture, Company Reports, Industry Estimates, Regional Chamber and Growth Association (RCGA) and Bureau of Economic Analysis



AGRIBUSINESS INDUSTRY LEADERS



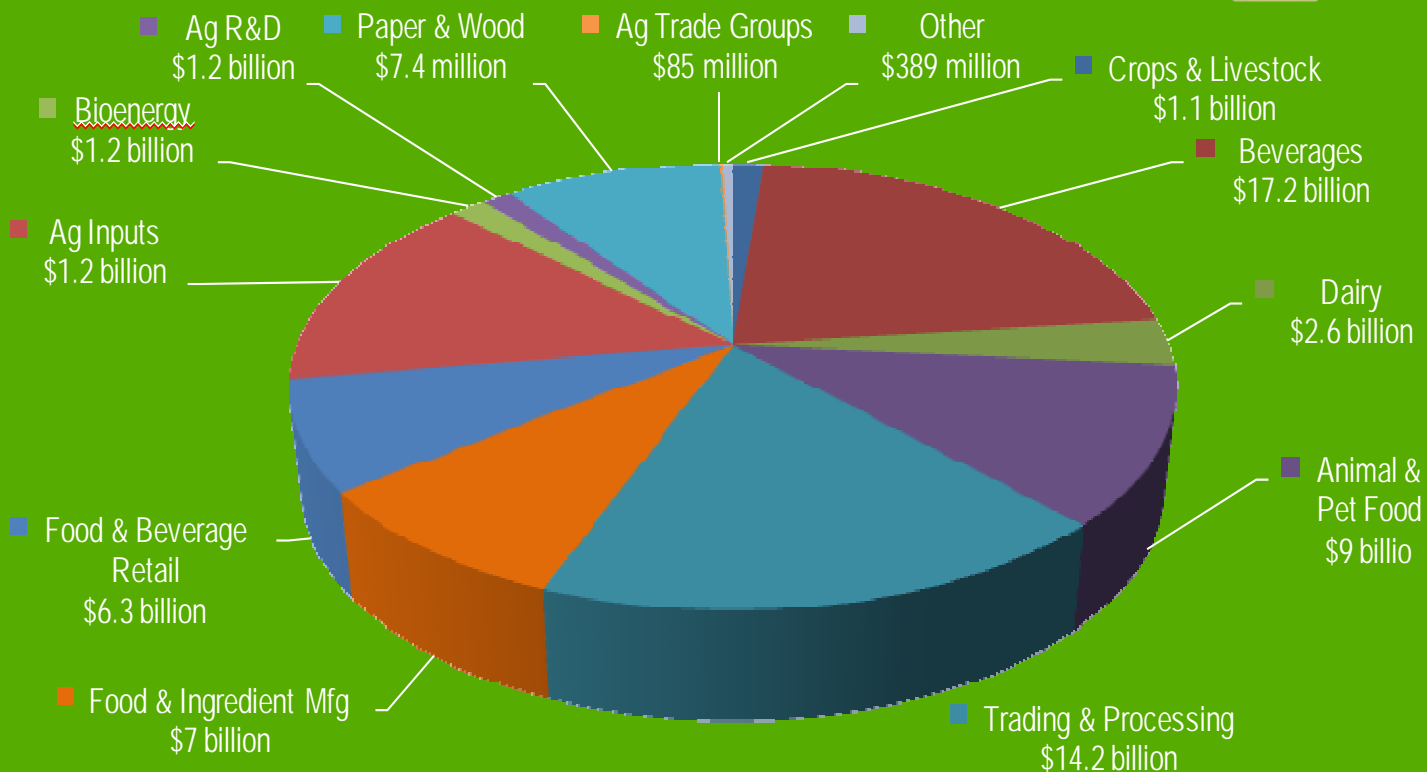
Companies

Anheuser-Busch InBev
Dr. Pepper/Snapple
Prairie Farms
Monsanto
Agrotain
Nestle Purina
Land o'Lakes Purina
Novus
Ralcorp
Solae
Bunge
Danforth Plant Science Center
Abengoa
Smurfit Stone

Industries

Brewing
Soft Drinks
Dairy
Seeds/R&D
Fertilizer
Pet Food
Animal Feed
Animal Health/Nutrition
Cereal
Soy Foods
Trading/Processing
Plant Science Research
Bioenergy
Paper & Packaging

AGRIBUSINESS ECONOMIC IMPACT



Sources: 2002 Ag Census, 1997 Economic Census, Individual Corporations, St. Louis Regional Chamber and Growth Association (RCGA)

AGRIBUSINESS MEANS JOBS FOR THE BI-STATE REGION



Principal Farm Operators	18,830
Hired Farm Labor	<u>7,706</u>
Total On-Farm Employment	26,536

**Agricultural occupations and
agribusiness employment**

265,000 Jobs

20% of workforce

2007 Census of Agriculture & St. Louis AgriBusiness Club
Based on Company Reports and Industry Estimates



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