

THE FOOD CHAIN CLUSTER

INTEGRATING THE FOOD CHAIN IN SOLANO &
YOLO COUNTIES TO CREATE ECONOMIC
OPPORTUNITY

Solano County Economic Development Corporation

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Presented by
Doug Henton
Collaborative Economics

KEY FINDINGS

The food chain contributes **significantly** to the region's economic vitality

The region benefits from **many natural assets** that support the production of high-value crops, and the region's advantageous location at the center of a mega region

Innovation across the region's food chain is improving process and resource efficiencies as well as food quality

The region is **fertile with opportunities for growth** across the food chain



OVERVIEW

What do we mean by the “Food Chain?”

The Economic Impact of the Food Chain in the Region

Regional Strengths: Natural Assets and Location

Opportunities for Growth

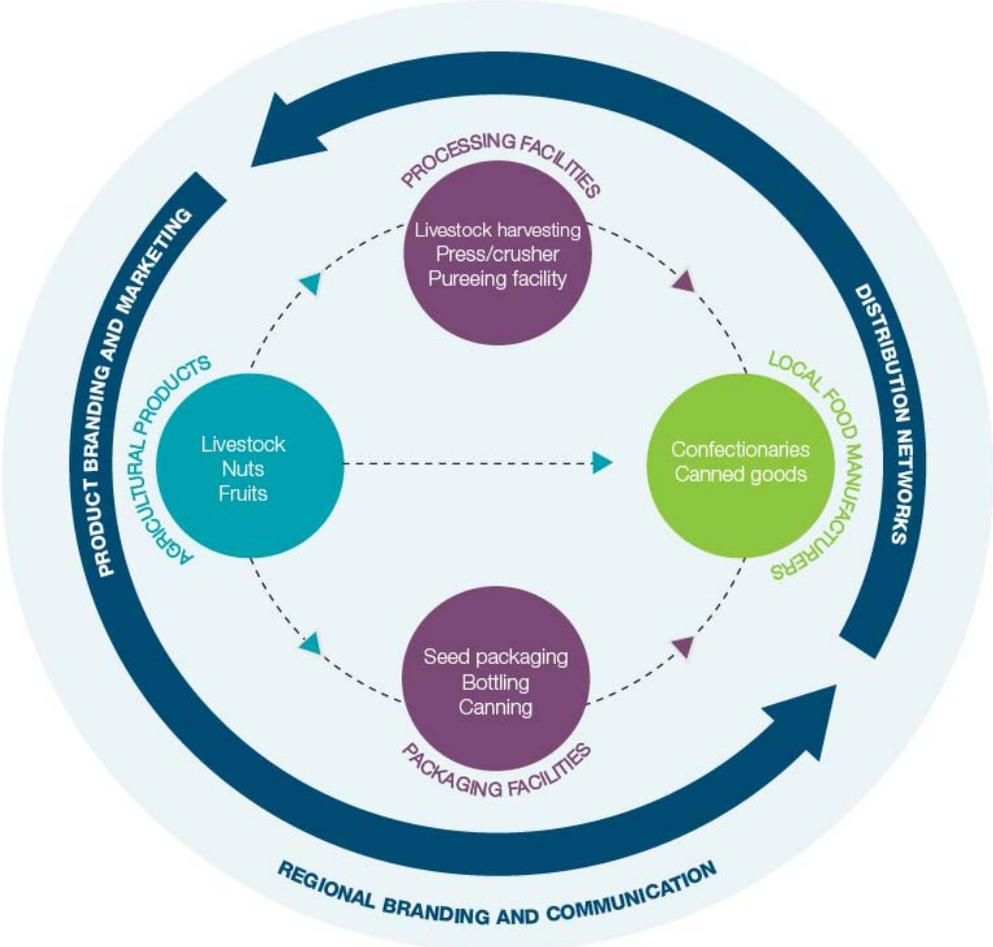


WHAT DO WE
MEAN BY THE
“FOOD CHAIN?”

WHAT IS THE FOOD CHAIN?



EXPANDING FOOD CHAIN OPERATIONS WILL CREATE MORE VALUE LOCALLY

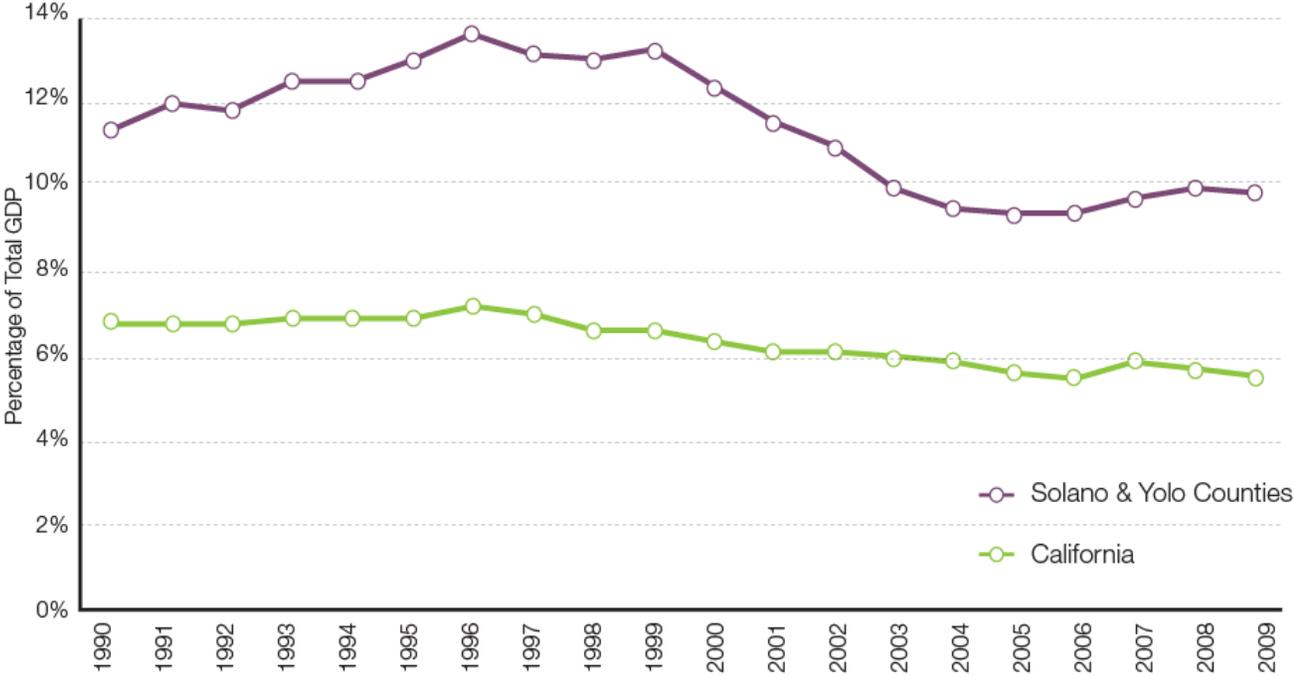


ECONOMIC IMPACT OF THE FOOD CHAIN IN THE REGION

THE ECONOMIC IMPACT OF THE FOOD CHAIN

PERCENTAGE OF TOTAL ECONOMIC OUTPUT

Generated by the Food Chain
Solano and Yolo Counties

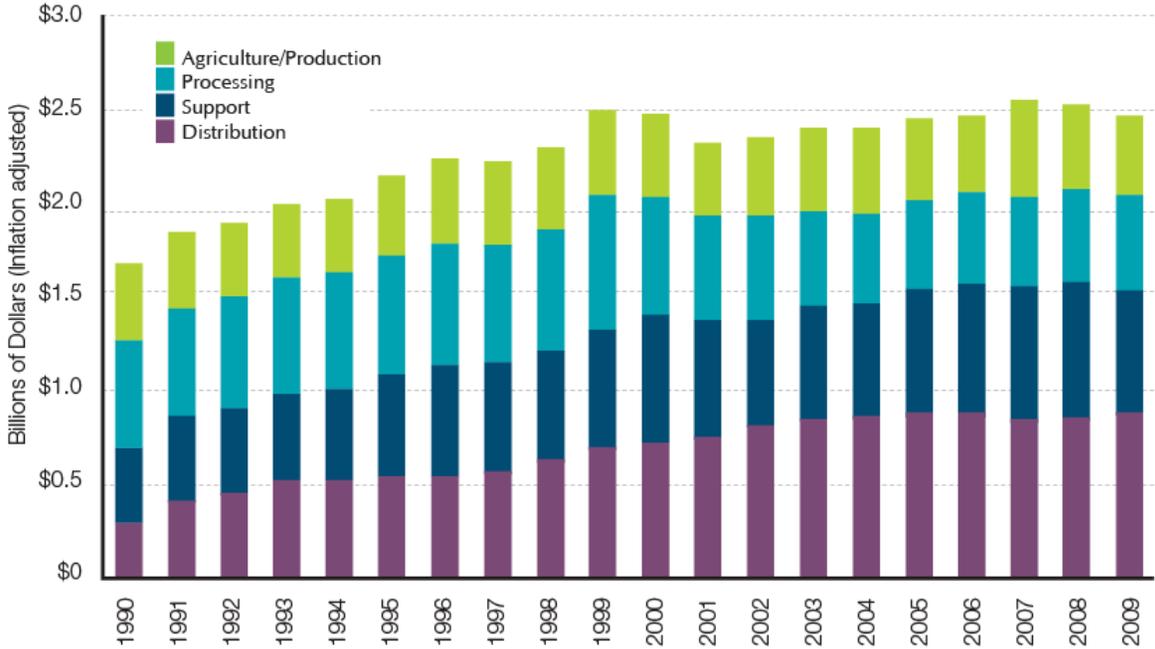


The GDP for Agriculture/Production segment is based on a more inclusive definition than the Food Chain Production segment.
Data Source: Moody's Economy.com
Analysis: Collaborative Economics

THE FOOD CHAIN GENERATED \$2.5 BILLION IN 2009

ECONOMIC OUTPUT OF FOOD CHAIN

Gross Domestic Product by Segment
Solano and Yolo Counties

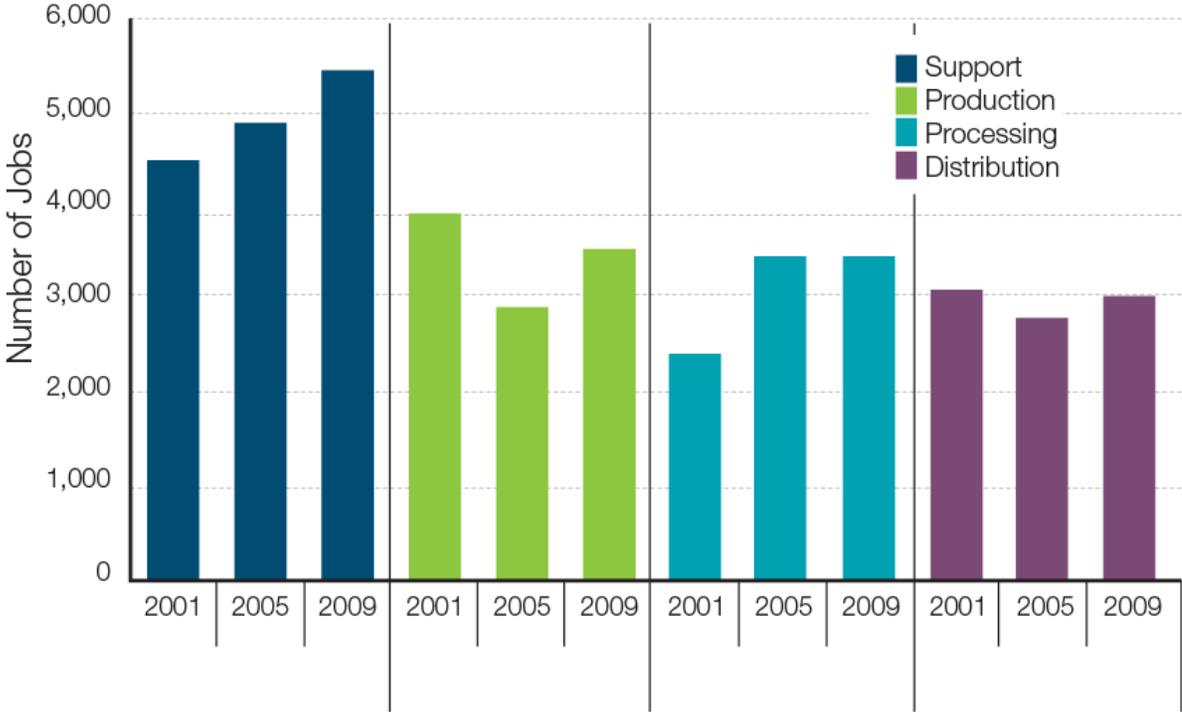


The GDP for Agriculture/Production segment is based on a more inclusive definition than the Food Chain Production segment.
Data Source: Moody's Economy.com
Analysis: Collaborative Economics

FOOD CHAIN EMPLOYMENT IS GREATEST IN AGRICULTURAL SUPPORT

FOOD CHAIN EMPLOYMENT TRENDS BY SEGMENT

Solano & Yolo Counties - 2nd Quarter 2009

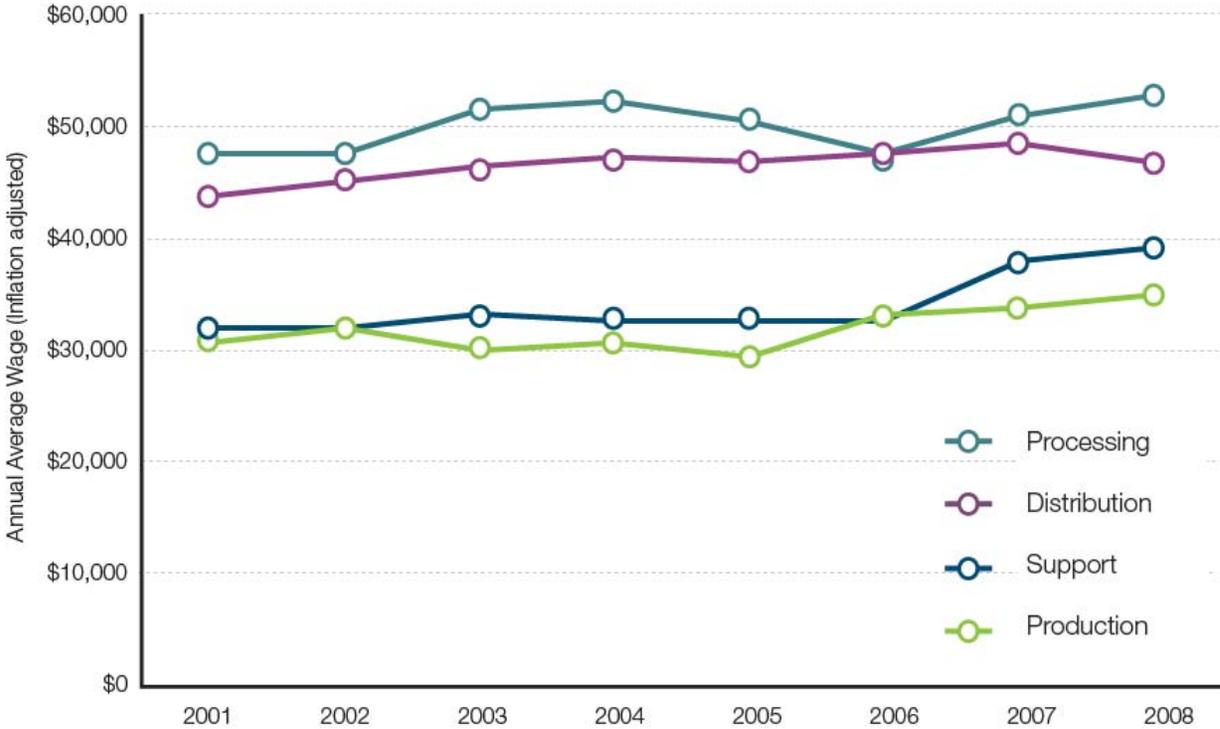


Data Source: CA Employment Development Department, Labor Market Information Division (QCEW)
Analysis: Collaborative Economics

FOOD CHAIN EARNINGS INCREASED BY 12% FROM 2001 TO 2008

EARNINGS GROWTH IN FOOD CHAIN

Annual Average Earnings by Segment
Solano & Yolo Counties



Data Source: California Employment Development Department, Labor Market Information Division (QCEW)
Analysis: Collaborative Economics

REGIONAL EARNINGS OF NONEMPLOYERS EXCEED THE STATE AVERAGE

TOTAL RECEIPTS PER NONEMPLOYER FIRM IN 2008 (Inflation adjusted)		
	Solano & Yolo Counties	California
Agriculture	\$57,994	\$54,312
Food & Beverage Manufacturing	\$54,182	\$72,061
Total Economy	\$41,362	\$50,994

INCOMES FOR LOCAL SMALL FARM OWNERS ARE RISING

TOTAL ANNUAL FARM PROPRIETOR INCOME

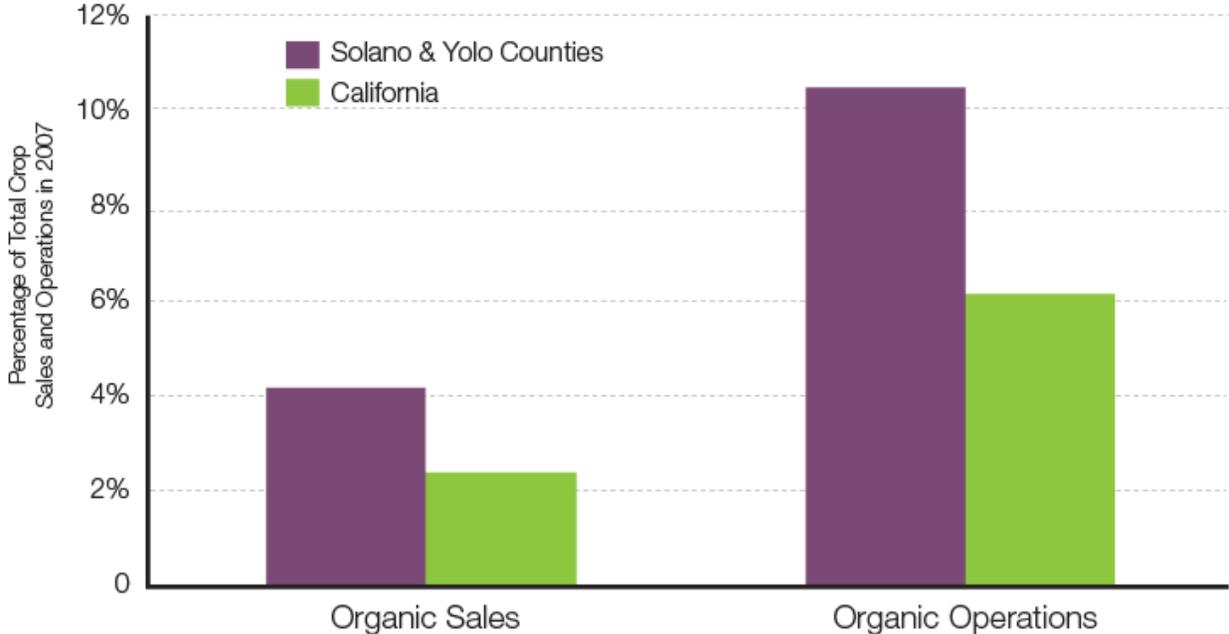


Data Source: U.S. Bureau of Economic Analysis
Analysis: Collaborative Economics

ORGANIC FARMING REPRESENTS A HIGHER PERCENTAGE THAN STATEWIDE

ORGANIC FARMING

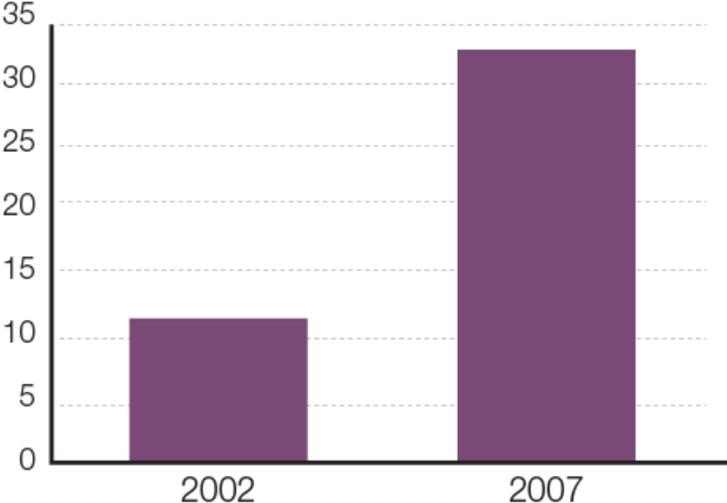
Percentage of Total Crop Sales and Operations
Solano & Yolo Counties and California, 2007



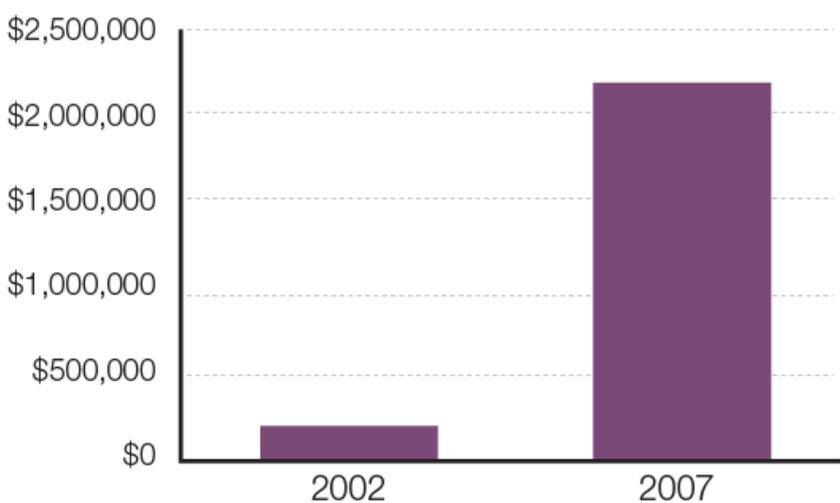
Data Source: National Agricultural Statistics Service, United Department of Agriculture
Analysis: Collaborative Economics

AGRICULTURAL TOURISM HAS EXPLODED SINCE 2002

AGRICULTURAL TOURISM & RECREATIONAL SERVICES
Number of Firms in Solano & Yolo Counties



TOTAL RECEIPTS FROM OPERATIONS
Inflation Adjusted



Data Source: U.S. Department of Agriculture, National Agricultural Statistics Service
Analysis: Collaborative Economics

**REGIONAL
STRENGTHS:
NATURAL ASSETS &
LOCATION**

THE REGION BENEFITS FROM NATURAL ASSETS & TRANSPORTATION INFRASTRUCTURE

Infrastructure for transport

Interstate highways, railways, seaports, airports

Secondary and post-secondary education infrastructure

Available water and wastewater services

High-value crops with local and global demand

Almonds and walnuts

Preservation of valuable farmland



THE REGION ALSO BENEFITS FROM INNOVATION ASSETS

7 of Top 10 seed producers, seed research and biotechnology presence (UC Davis)

Farms and businesses adopting innovative renewable energy systems

i.e., Anheuser Busch, Salad Cosmo



OPPORTUNITIES FOR GROWTH

THERE ARE OPPORTUNITIES FOR GROWTH ACROSS THE FOOD CHAIN

Expand chilling capacity, slaughtering facilities and other essential processors

Maintain transportation infrastructure

Improve educational opportunities in secondary and post-secondary institutions

Encourage farmers markets and community supported agriculture (CSA)

Grow global demand for high-value products



GROWING VALUE: BUILDING A REGIONAL FOOD CHAIN & CLUSTER NETWORK

Capitalizing on areas of opportunity will help to increase the churn of products through the Food Chain

This will create added value in the region

