

**INDIANA'S ANIMAL AGRICULTURE:
BRINGING HOME
THE BACON,
WITH A SIDE OF
ECONOMIC
IMPACT.**



**LIVESTOCK FARMERS
BRING MORE
TO THE PARTY THAN
BACON-WRAPPED
EVERYTHING.
THEY ARE INVESTING
IN OUR STATE**

Indiana's animal agriculture industry is an invested business in your community and is a profitable and viable economic contributor — now and in the future.



THE ECONOMIC IMPACT OF ANIMAL AGRICULTURE IN INDIANA'S REGIONS

Recent research shows that animal agriculture should be considered a strategic option when thinking about economic development in Indiana communities.

The new regional economic study assessed not only animal-agriculture industries that generate billions of dollars in sales each year in their own right, but how their activities trigger economic ripple effects that cascade throughout the Indiana economy — what the Indiana Soybean Alliance calls the 'Ag Effect.'

According to the latest USDA Census of Agriculture, Indiana is:

- Ranked among the nation's top 10 agricultural states with \$11.2 billion in sales
- Leading the way in corn and soybean production, accounting for more than 60% of all agriculture sales
- Home to nearly 21,200 animal agriculture farms, generating nearly \$3.7 billion in sales
- Seeing growth and gaining market share in every major category of animal agriculture
- Boosting the state's economy as one of the nation's top producers of ducks, eggs, hogs and turkeys

Source: 2012 USDA Census of Agriculture



STUDY DESIGN

The Indiana Business Research Center study examines the possible impact growing Indiana's animal agriculture would have on Indiana's regional economies in the future. The study considers both the direct impact of animal agriculture as well as anticipated ripple, or multiplier, effects within economic systems.

Study conducted by Indiana Business Research Center, Kelley School of Business, Indiana University for Indiana Soybean Alliance

Study completed: January 2017

ANIMAL AGRICULTURE'S GROWTH IN INDIANA

Table 1: Indiana Animal Agriculture Production Volume, Select Industries, 2008 and 2015

Industry	2008 (millions)	2015 (millions)	Indiana % Change, 2008 to 2015	U.S. % Change, 2008 to 2015	Indiana Rank in 2015
Beef cattle (lbs)	234	251	7.0%	-0.3%	34
Dairy (lbs)	3,287	4,030	22.6%	9.8%	14
Eggs (dozens)	543.6	667.1	22.7%	6.9%	3
Hogs (lbs)	1,726	1,844	6.9%	12.0%	5
Turkeys (lbs)	519	753	45.0%	-11.0%	3

Indiana's egg, turkey and dairy production saw dramatic increases between 2008 and 2015.

Indiana ranked among the nation's top 5 farmers of hogs, eggs and turkeys in 2015.

**INDIANA
RANKED AMONG
THE NATION'S
TOP 10
AGRICULTURAL
STATES**

Source: USDA annual surveys

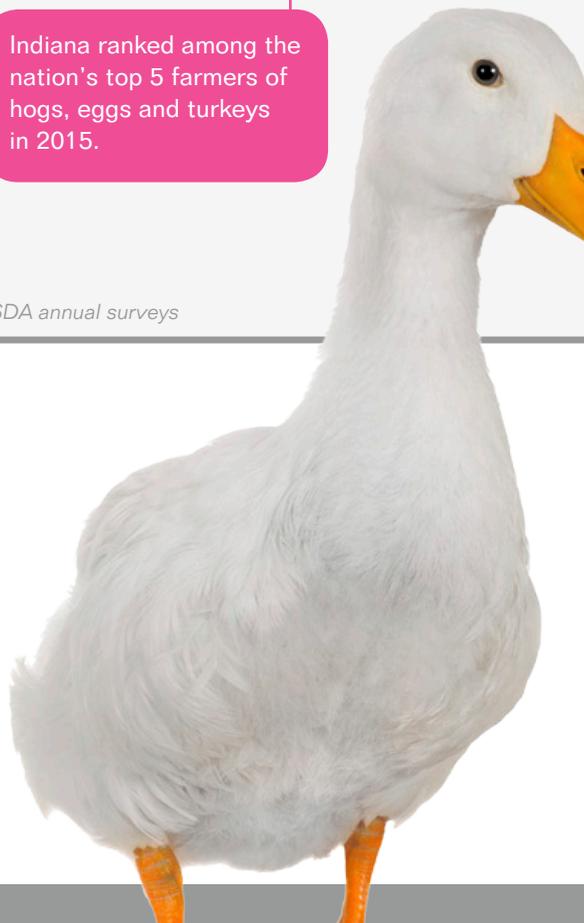


Table 2: Indiana Animal Agriculture Value of Sales, Select Industries, 2008 and 2015

Industry	2008 (millions)	2015 (millions)	Indiana % Change, 2008 to 2015	U.S. % Change, 2008 to 2015	Indiana Rank in 2015
Beef cattle	\$183.1	\$363.5	98.5%	68.1%	34
Dairy	\$644.3	\$693.2	7.6%	2.5%	14
Eggs	\$535.6	\$1,006.2	99.1%	63.8%	3
Hogs	\$818.2	\$960.6	17.4%	33.7%	5
Turkeys	\$306.3	\$610.4	99.3%	27.7%	3

The value of Hoosier egg production increased by nearly 100% from 2008 to 2015, making it a \$1 billion industry; the state's hog producers will likely reach that mark soon.

The value of the state's cattle and turkey production also increased — essentially doubling over the 7-year period.

Source: USDA annual surveys

Table 3: Indiana Production Volume of Broilers and Ducks, 2007 and 2012

Industry	2007 (millions)	2012 (millions)	Indiana % Change, 2007 to 2012	U.S. % Change, 2007 to 2012	Indiana Rank in 2012
Broilers (birds)	37.1	41.6	12.2%	-5.1%	23
Ducks (birds)	9.9	12.6	27.3%	-15.2%	1

In 2012, Indiana accounted for 54% of all duck production in the U.S., up from 36% in 2007.

Indiana saw strong growth in both broiler and duck industries despite declining production of these commodities at the national level.

Source: USDA Census of Agriculture, 2012

MULTIPLYING THE ECONOMIC IMPACT — THE AG EFFECT

Indiana's position as a leader in animal agriculture means significant contributions to the state's economy. Not only do these industries generate billions of dollars in sales each year, their activities also trigger economic ripple effects that cascade throughout the Indiana economy. At every step, jobs, taxes and revenue are added to the local economy.

How the multiplier effect works:

- A Hoosier hog farmer purchases a range of goods and services, such as feed and veterinary care, from other businesses in the state
- In addition to these supply chain purchases, farmers and their employees — as well as workers at supplier firms, like the vet and the local feed store — spend their earnings on groceries, housing, health care, recreation, etc.
- All of these activities combine to describe the full economic impact of animal agriculture

The multiplier effect in numbers:

The economic impact of any given industry is summarized by its multiplier effect. Economic multipliers describe the ripple effects of the industry. For example, the employment multiplier for hog production is 1.41, meaning that every proprietor or employee working directly in the industry supports another 0.41 jobs at other business in Indiana (or, every 100 jobs in hog production support another 41 jobs in the state). Similarly, the sales multiplier of 1.67 means that every dollar of sales by an Indiana hog farmer generates an additional 67 cents in sales for other Hoosier businesses.

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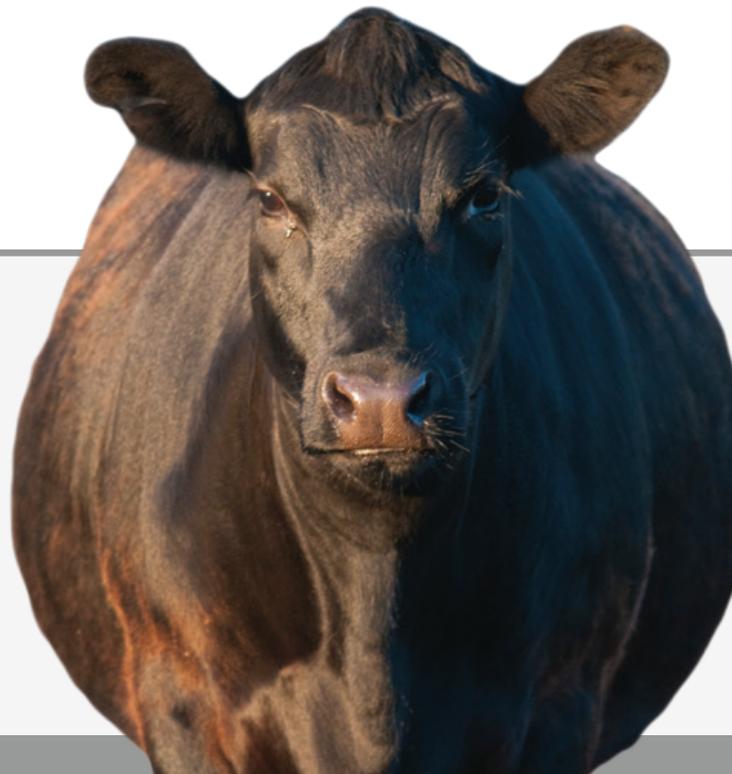




Table 4: Economic Multipliers for Animal Agriculture Industries in Indiana

Industry	Employment Multiplier	Sales Multiplier
Beef cattle	2.04	1.64
Dairy	2.27	1.75
Hogs	1.41	1.67
Poultry and eggs	7.39	1.88

Economic multipliers differ by industry and geographic area. To see regional information by Indiana's USDA Crop Reporting Districts, visit FarmersDeliver.com.

Source: IMPLAN Economic Modeling System

Note: Poultry and egg production are treated as a single industry in the IMPLAN system

STUDY CONCLUSION

THE RESEARCH SHOWS THAT EXPANDING INDIANA ANIMAL AGRICULTURE WILL STRENGTHEN THESE INDUSTRIES DIRECTLY, AND GENERATE SIGNIFICANT ECONOMIC RIPPLE EFFECTS IN INDIANA REGIONS.



Indiana's livestock farms are a part of the community fabric, caring for the land and animals that feed their families, and yours.

As community leaders and economic contributors, Indiana's livestock farm families are responsible neighbors invested in their heritage, their future and the health of the economy.

Learn more about Indiana's livestock farmers at
www.farmersdeliver.com

Funded with Indiana soybean checkoff dollars.