

Iowa Select Farms' Commitment to GROWING RURAL COMMUNITIES, GROWING IOWA



"IOWA SELECT FARMS' GROWTH OF ITS SOW FARMS IS REVERSING ECONOMIC DECLINE IN THOSE COMMUNITIES."

-Dermot Hayes, Iowa State University Economist

A study conducted by Iowa State University's Dermot Hayes measured the economic contribution of Iowa Select Farms to the State of Iowa. Data in this report was determined by the IMPLAN model, which estimates the direct and indirect economic contribution of a business or industry.

The results of the study confirmed previous work by Monchuk *et al* (2007 and 2011) which explored the factors that caused some rural communities to decline and others to grow.

THESE RESULTS SHOWED:

- Rural counties grew more slowly than urban counties, however rural counties with livestock growth fared better
- Counties where livestock receipts grew by more than 10 percent above the mean experienced an annual income increase of one million dollars
- Rural counties that did not benefit from livestock growth experienced an annual loss of \$17 million in county income
- One 7,500 sow farm brings \$4.7M in annual economic impact to a rural community
- Livestock growth effectively offsets, and even reverses, the economic decline in rural counties

IOWA SELECT FARMS

- Is a farrow-to-finish pork producer
- Was founded in 1992 in Iowa Falls, Iowa, by third generation family farmers
- Is a multi-generational, family-owned Iowa business
- Is committed to growing from their previous contribution of producing just over eight percent of Iowa's production to nearly 14 percent
- Has 1,200 employees and 650 contracted site managers and contract growers across 210 Iowa communities
- Partners with 1,731 Iowa suppliers representing 310 Iowa rural communities
- Supplies fertility to 1,579 Iowa crop farmers



BY 2019, IOWA SELECT FARMS IS COMMITTED TO SUPPORTING 10,961 TOTAL JOBS

2016 ECONOMIC CONTRIBUTIONS

JOB	LABOR INCOME	VALUE ADDED	TOTAL ECONOMIC IMPACT
7,464 DIRECT JOBS People who rely on Iowa Select Farms for their primary income, such as employees, contract growers, contracted farm managers, customer manure applicators and owner/operator livestock haulers	\$489M Wages and benefits	\$907M The difference between the cost of inputs and the revenue earned	\$1B When income is spent at grocery stores, restaurants and shops
582 INDIRECT JOBS People employed by a service and utility provider of Iowa Select Farms, such as feed ingredient manufacturers, feed mills, propane businesses and equipment suppliers.	\$34M Wages and benefits	\$59M The difference between the cost of inputs and the revenue earned	\$127M When income is spent at grocery stores, restaurants and shops
2,915 INDUCED JOBS People whose businesses benefit from the patronage of those who are directly and indirectly employed by Iowa Select Farms, such as restaurants, gas stations, grocery stores and retailers	\$34M Wages and benefits	\$200M The difference between the cost of inputs and the revenue earned	\$356M When income is spent at grocery stores, restaurants and shops
10,961 TOTAL ANNUAL JOBS 6,263	\$633M TOTAL ANNUAL INCOME \$362M	\$1.2B TOTAL ANNUAL VALUE ADD \$667M	\$1.5B TOTAL ANNUAL ECONOMIC OUTPUT \$870M

IOWA SELECT FARMS 2019 COMMITMENT TO PACKER/PROCESSING SECTOR

A significant portion of Iowa's hog slaughter and pork processing industry relies on Iowa Select Farms for their hogs or pork. If Iowa Select Farms did not exist, it is possible these companies would also not exist. By 2019, Iowa Select Farms will be contributing the following economic value to packers and processors located in the state.



JOB	LABOR INCOME	VALUE ADDED	TOTAL ECONOMIC IMPACT
7,925 4,529	\$383M \$219M	\$618M \$353M	\$3.2B \$1.8B

IOWA SELECT FARMS' EXPECTED 2019 STATE GOVERNMENT TAX COLLECTIONS

	GENERAL SALES	SELECTIVE SALES	INCOME	TOTAL
Swine Production	\$12M	\$5M	\$16M	\$32M
Packer-Processing	\$8M	\$3M	\$9M	\$20M
TOTAL TAXES	\$20M \$11M	\$8M \$4.72M	\$25M \$14M	\$52M \$30M

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