Economists: Agriculture a key driver in Oregon's economy

By GEORGE PLAVEN Capital Press

CORVALLIS Throughout Oregon's economy, more than 15% of sales and 20% of jobs are tied in

some way to agriculture, food and fiber, according to a new analysis by Oregon State University in partnership with the state Department of Agriculture.

The 27-page report provides an overview of the industry and recent trends. Researchers update the analysis every 5-6 years, with the last update in 2015.

Jeff Reimer, a professor of applied economics at OSU and co-author of the report, said the analysis also delves into the links between agriculture, food and fiber and other sectors of the economy that may not be apparent looking at raw statistics.

For example, the report shows that agriculture, food and fiber production is directly responsible for more than \$42 billion in sales and 371,300 fulland part-time jobs. That represents approximately 10% of total sales and 14% of jobs.

But after taking into account support industries such as agricultural inputs, transportation and retail, the total shares grow to more than \$71 billion in sales and 531,422 jobs.

Bruce Sorte, an economist with OSU Extension Service, said he calculates the interdependence of economic sectors using an internet-based application called IMPLAN an input-output modeling tool that can be used for everything from french fries made in Hermiston to beef and potatoes grown in Klamath Falls.



Oregon State University/Contributed Photo Agriculture continues to play a significant role in Oregon's economy, according to a new analysis.

latest USDA Census of Agriculture in 2017 shows Oregon eclipsed \$5 billion in farm gate value, Sorte

"Talking about agriculture without talking about getting to the dinner plate misses a big part of it," he said, "especially during this

said there is more to the

Rising exports

pandemic."

Oregon's agricultural exports have grown by 13.7% since 2015, with sales jumping from \$15.2 billion to \$17.3 billion.

Production of agricultural exports dipped slightly, from \$3.3 billion to \$3.1 billion. Though the analysis did not give a precise reason, it did mention the U.S.-China trade war that likely impacted exports of wheat, hazelnuts, cherries

However, the decline was more than made up by increases in agricultural support services, food and fiber processing, with Oregon's food and beverage sector playing an outsize

Sorte said Oregon is in a strong position to continue increasing agricultural exports as farmers become more efficient.

"The fact that acreage While data from the changes have been low,

and yet the output on that acreage has dramatically increased ... we're in a very good position, depending on the strength of the dollar, to really do a good job in increasing our exports," Sorte said.

Organic growth

One area where Sorte said he was pleasantly surprised was the growth of organic farming and ranch-

Despite the number of certified organic farms decreasing from 657 in 2008 to 455 in 2019, the number of certified organic acres nearly doubled from 105,605 to 196,045.

The value of organic products sold also increased from \$156 million to \$454 million, making up 9% of the total value of market sales in Oregon.

"Organic farming has grown from a niche market to a segment of the market that includes very small farms to large corporate farms," the report states. "Retail food chains and restaurants continue to expand their organic offerings and the majority of organic products are now sold through retail food outlets."

Mid-size farms decline

Overall, Oregon added

OREGON AGRICULTURE BY THE NUMBERS

Some additional figures outlined in the Oregon agriculture, food and fiber economic analysis, published in August by Oregon State University:

- 16 million acres is farmed across Oregon — an area roughly the
- size of West Virginia. 225 agricultural commodities are grown statewide.
- · 2,000-plus new farms have been established since 2012.
- 95% of farms in Oregon are family-owned.
- 5.7% of Oregon jobs are on farms.

more than 2,000 new farms since 2012. However, consistent with national trends, the number of mid-size farms has continued to decline.

For example, there were 3,417 new farms established with 1-9 acres, and 21 new farms with 2,000-plus acres. But the number of farms between 50 and 999 acres dropped by 1,217.

The rise in small farms likely reflects growth in organic farming, valueadded on-farm operations, direct sales and agritourism, according to the report.

Meanwhile, large farms reflect the industry's move toward consolidation to attain economies of scale. Those two factors have combined to squeeze mid-size operations.

Overall, the number of acres in agricultural production has declining a little more than 9% since 1997, from 17.7 million to 16 million acres.

Learning the ropes

New president at Threemile Canyon Farms Bill Antilla learning on the job

Antilla

By GEORGE PLAVEN

Capital Press

BOARDMAN — After nearly two months on the job as president of Threemile Canyon Farms, Bill Antilla knows he still has a lot to

"It's a sophisticated and

complex business," Antilla said. "Fortunately, I love to learn. I'm a very curious person."

Antilla, 55, was hired Aug. 9 to manage Threemile Canyon Farms, which includes

Oregon's largest dairy with 35,000 milking cows and 70,000 total cattle west of Boardman. The farm also grows 39,500 acres of conventional and organic A native of the Pacific

Northwest, Antilla grew up in Longview, Washington, before moving to the Midwest where he has spent his entire career in agribusiness and food processing.

Antilla spent 25 years working for Cargill, a global food corporation headquartered in suburban Minneapolis. His first job was as a merchandising and sales manager for Cargill's soybean processing plants in

Once they are crushed, soybeans yield about 80% protein meal used in animal feed, and 20% vegetable oil, which is then refined and purified.

Antilla's job was purchasing grain from farmers and country elevators, and reaching out to customers.

From there, Antilla transitioned into Cargill's vegetable oil refining business, operating out of a large industrial complex in Sidney, Ohio. The oil is marketed extensively to major food manufacturers such as FritoLav, Kraft, General Mills and

Cargill also makes a variety of dressings, sauces and mayonnaise sold exclusively to large food service distributors and caterers.

Antilla finished his career at Cargill as vice president and general manager of the

North American industrial specialties unit — taking agricultural byproducts, such as oils and fatty acids and converting them into renewable chemicals used in industrial products

such as paints, resins and foam.

The experience gave Antilla a knowledge of global markets and agricultural supply chains, he said.

Antilla left in late 2014

to become general manager of of Crown Iron Works, a company in Blaine, Minnesota, that designs and engineers the technology and layout found inside processing plants, much like the ones he helped manage at Cargill. Like Cargill, Crown Iron

Works is a global company and works with fabricators all over the world to build processing equipment. The company also has been a part of the biodiesel boom, helping design refineries that produce renewable fuels.

"I have not been directly involved with farming in the past, but my entire career has been in agribusiness, food processing and food production," Antilla said. "I have a passion for this business, and I have a passion for being a part of high-performing teams, being around people who challenge me and continually want to improve."

At Threemile Canyon, Antilla takes over for Marty Myers, the farm's founder and longtime general manager, who died Dec. 1, 2020.



As we celebrate National Cooperative Month we wanted to first say thank you to our membership and to our community partners. We are shaped by the people we serve. As a member-owned utility, we are driven to be more than a business, we are your energy partner.

Join Us In Celebrating YOU Our Members During October National Cooperative Month!

- \$100 Bill Credit Giveaways Each Thursday in October: complete the form on our website or mail in your entry, available on Page 8 of the October Ruralite!
- Watch Your Mailbox: UEC is sending every residential member a FREE energy efficiency kit direct to your door!



Learn more about how UEC is helping to power communities at:

WWW.UMATILLAELECTRIC.COM

Hermiston Office 750 W. Elm Ave. Hermiston, OR 97838 (541) 567-6414

Boardman Office 400 N.E. Eldrige Drive Boardman, OR 97818 (541) 481-2220

