

# Economic Impact of Beef & Pork Industries on SD

BROOKINGS, S.D. - South Dakota's beef and pork industries make a significant contribution to economic output and development within the state, said Gary Taylor South Dakota State University Associate Professor of Economics.

South Dakota's beef and pork industries make a significant contribution to economic output and development within the state, said Gary Taylor South Dakota State University Associate Professor of Economics.

"Agriculture is our state's number one industry, and within that industry, beef and pork operations contribute to our state's economy through employment, input purchases and taxes," Taylor said.

Based on 2012 data, the state is home to some 1.6 million cows who produce about 1.7 million calves and an estimated \$2,283,766,027 gross income. During the same time frame, the state housed 175,000 sows that produced about 3.7 million pigs and an estimated \$602 million in gross income.

With the help of an input/output analysis program, the IMPLAN Pro3 model, Taylor was able to graph the direct and indirect impacts of both industries on the state. This information is updated about every five years by the SDSU economics department.

Beef industry details

In 2012 the beef industry provided an estimated total economic impact of \$4.48 billion, 12,571 full-time equivalent jobs, and a net positive tax impact of \$613,762. In addition the beef industry provides a market for an estimated 44.2 million bushels of corn, 9.8 million tons of forage, and 34.5 thousand tons of soybean meal.

The direct effect of South Dakota's beef cattle industry is \$2.28 billion of gross income. The indirect effect, which consists of the business-to-business activity is \$1.8 billion while the induced effect, which comprises household spending as a result of the economic activity in the beef industry is more than \$ 334 million (Table 1).

Table 1. Beef Industry Output Impact

Direct	\$2,283,766,027
Indirect	\$1,865,961,681
Induced	\$334,573,916
Total	\$4,484,301,624
In nominal 2012 dollars	
"In 2012 the direct impact was \$569	

million higher than our most recent similar analysis which was based on 2008 data (\$1.714 billion)," Taylor said.

He attributes the increase to significantly higher output prices, approximately \$130 per hundredweight (in 2012) versus \$91.30 per hundredweight (in 2008).

"This occurred despite marketing approximately 83,200,000 fewer pounds of beef in 2012, a 4.5 percent decrease relative to the 2008 data," Taylor said. "The multiplier for the beef industry from the IMPLAN program is 1.95, suggesting that each dollar of economic activity in the beef industry generated another \$0.95 of economic activity in the rest of South Dakota's economy."

When looking at the impact the beef industry had on employment, Taylor again relied on IMPLAN; see Table 2.

Table 2. Employment and Taxes on Production and Imports

Employment (#FTEs)	4,397
Net Taxes (Nominal \$)	-\$26,218,968
Direct	5,334
Indirect	\$8,331,705
Induced	2,840
Total	\$18,501,025
Total	12,571
Total	\$613,762

"The beef industry continues to provide a significant contribution to the economic health and growth in South Dakota," Taylor said, referencing Table 3. "The beef industry is expected to continue making a positive contribution to South Dakota's economy in the foreseeable future, especially in the presence of low beef supplies and high beef prices."

Table 3. Distribution of the Economic Impact of the Beef Industry in South Dakota

Million \$ (% of total)	63.5
Cattle ranching and farming	\$1,185
Monetary authorities and depository credit activities	\$185

\$195	10.4
Other animal feed manufacturing	\$92
5.0	Wholesale Trade
\$73	4.0
Real Estate	\$69
3.6	Grain Farming
\$34	2.0
Truck Transportation	\$34
2.0	Electric power generation and distribution
\$29	1.5
Other crop farming	\$23
1.2	Commodity contracts, investments
\$21	1.1
Other	\$114
5.7	Total Indirect Impacts *
\$1869	100.0
*In million nominal 2012 dollars	

Pork industry details

The pork industry in South Dakota is a major contributor to economic activity in the state. The direct impact of the pork production sector is \$602,150,022 and it produces a total impact of \$892,112,963.

"In addition, the production sector accounts for 5,827 jobs and \$1,365,352 in taxes on production and imports," said Taylor.

Table 4. Pork Industry Output Impact

Direct	\$602,150,022
Indirect	\$152,104,927
Induced	\$137,958,014
TOTAL	\$892,112,963
In nominal 2012 dollars.	

The data points to an increase over 2008 numbers by

\$200 million. Taylor attributes this increase to significantly higher output prices of about \$71.13 per hundredweight in 2012 versus \$46.80 per hundredweight in 2008.

"Producers marketed 74.8 million more pounds of pork in 2012 than in 2008," Taylor said.

Table 5. Distribution of the Economic Impact of the Pork Industry in South Dakota

Million \$ (% of Total)	\$635
Animal production, except cattle, and poultry and eggs	71
Other animal food manufacturing	\$34.10
Cattle ranching	3.7
Monetary authorities and depository credit intermediation activities	\$14
Wholesale trade businesses	1.6
Real estate establishments	1.9
Electric power generation, transmission and distribution	\$13
Private Hospitals	1.5
Physicians and dentists	\$9
Imputed rental activity	1
Other	\$19
Total	\$892
Total Indirect Impacts in million nominal 2012 dollars.	100

**Sell us your stuff!**  
We buy nearly anything of value.  
- Tools, Furniture, Electronics, Household Items, Lawn & Garden Equipment, etc.  
Entire estates give us a call.  
**Open 7 days a week!**  
**RIVERCITY Treasures & Pawn**  
301 E. 3rd Street, Yankton, SD  
665-3588

**Main Street Cafe**  
\$45,000/Tyndall  
Everything goes! Building, Inventory, Equipment, and Furnishings.  
Presently serving Breakfast & Lunch.  
Call Max 605-661-8434

**FAX US YOUR AD & SEE THE RESULTS!**  
Use your FAX machine to send us your Classified ad.  
Remember to include your name & ad. **Prepayment is required** when placing classified. We accept Visa or Mastercard.  
**Classified FAX number: 605-665-0288**  
**MVShopper**  
319 Walnut • Yankton, SD 57078 • Phone: 605-665-5884

**Sukup** **Fall Special** **Remember Bin Safety Prevent Bin Fires**  
Grain Bin Fans - Early Order  
¾ - 30hp Single Phase or 3 Phase Fans in stock. 1760RPM Baldor, Leeson & Marathon Motors. Axial Fans also available or Centrifugal Squirrel Cage fans (2-3 weeks lead time) Includes motor starter controls. Electric Fan Motors in stock. \$700-\$7,000 depending on model.  
**Grain Bin Fan Heaters - In Stock and Early Order**  
Add a propane heater to your fans this fall! Take the most advantage of your on-farm storage and marketing potential. Propane or natural gas fired units 7.5-20hp, Low Temp and High Temp Units. Special price on surplus inventory!  
**3 DL10V-T** with Mod.Valve, Low Temp, for 7.5-15Hp Cent. Fan ..... **\$1900**  
**2 DL20V-T** with Thermostat, Low Temp, for 20-30Hp Cent. Fan ..... **\$1450**  
**1 DL10L-T** with Thermostat, 50-180deg F, for 25-15Hp Cent. Fan ..... **USED \$950**  
**D3936** Roof Vent, 18" Galv. Sheet Metal ..... **SURPLUS CLEARANCE \$175**  
**D4731 HE1 24"** Axial Heater, Thermostat, Low Temp ..... **\$1800**  
**D4901 HE1 38"** Axial modulating valve, High Temp ..... **\$3850**  
**E9135 HE1** Carry-In Sweep Auger, with motor. Less installation ..... **\$1292**

**RANCH STYLE HOME w/3-Car Garage on the edge of Volin, SD**  
**Auction**  
Thursday, October 1st at 5:30 pm  
Located: 101 Jackson Ave., Volin, SD

**CNH INDUSTRIAL GENUINE PARTS** **ProHarvest** **CASE IH AGRICULTURE**

DRIVE SPROCKET KITS		
PART NO.	DESCRIPTION	APPLICATION
B94734		900-1000 Series Headers
B95574A		2200/2400/3200/3400 Series Headers
IDLER SPROCKET KITS/PLATED SPROCKETS		
PART NO.	DESCRIPTION	APPLICATION
B94739	Idler Sprocket Kit	1000 Series Headers
B95573	Idler Sprocket Kit	2200/2400/3200/3400 Series Headers
SKID PAT KITS		
PART NO.	DESCRIPTION	APPLICATION
B94736	Inner - 30" Rows	1000 Series Headers
B94845	Outer - All Row widths	1000 Series Headers
B96355	Inner - 36" Rows	1000 Series Headers
EAR SAVER KITS		
PART NO.	DESCRIPTION	APPLICATION
B94550A	Steel Hoods	800-1000 Series Headers
B95582	Poly Hoods	800-1000 Series Headers
B95582	Poly Hoods	2200/2400/3200/3400 Series Headers
* REDUCES EAR LOSS * HIGH-STRENGTH RUBBER		

**We also offer a wide range of grain platform kits to fit your needs!**  
**Kayton International, Inc.**  
Web Site: www.kaytonint.com  
2630 State Hwy. 14, Albion • 402-395-2181 • 800-248-2215  
1211 W. 2nd, Crofton • 402-388-4375 • 800-798-4376  
West Hwy. 275, Neligh • 402-887-4118 • 800-247-4718

**AFTER HOURS PARTS PHONE**  
ALBION 402-741-0055 CROFTON 605-660-6175 NELIGH 402-929-0120

**CASE IH AGRICULTURE**  
Financing Available W.A.C.  
©2008 CNH America LLC. All rights reserved. Case IH and CNH Capital are registered trademarks of CNH America LLC.

**OPEN HOUSE: Friday, September 18th 6 - 7pm**

**Legal:** W232.08' EXC S132.93' BLK 5 Volin Addn, Yankton County, SD. **Taxes:** \$1,457.90  
At auction is a 2009 Manufactured Ranch-Style Home on the South edge of Volin. Home is 1,782 sq. ft and sits on a concrete floor with concrete footings. Home has 4-bedrooms and 2-full baths. Electric utilities and well water with reverse osmosis Culligan water system put in in 2005. City water hookup is available at new owner's expense. All appliances stay with the home except the washer & dryer. Home has asphalt shingles & vinyl siding and has a 10'x17' concrete patio on front. This home sits on 1.08 acres and has a full concrete drive leading up to a large, unattached 3-car, 26'x44' garage that was built in 2010. Garage is wired with 220 and all doors have electric openers. Garage has steel roof & vinyl siding.  
**Auctioneers Note:** This has been a well maintained home and sits on an oil road. You are only minutes from both Yankton & Vermillion and is located in the Gayville-Volin School District. Home is ready to move-into. Please make plans to attend one of the open houses or make arrangements with the auction company for a viewing.  
**Terms:** \$10,000 non-refundable down payment due the day of the auction with the balance due on closing date of Nov. 2nd, 2015. Yankton County Title - Closing Agent. Taxes will be prorated to the date of closing. Property is sold in "as-is" condition and not subject to the buyer's ability to obtain financing. Title insurance and closing cost split 50/50 between the buyer and seller. Auctioneers are acting as agents to the seller.  
**Joe Guy - Owner**  
Marv Girard BA #12399; Ken Girard, CAI, AARE, Broker #10183; Mike Girard, CAI, BA #13549  
**GIRARD AUCTION & LAND BROKERS, INC.**  
**GIRARD**  
(605) 267-2421  
Toll Free: 1-866-531-6186  
www.GirardAuction.com