

# THE ECONOMIC IMPACT TO ADAMS COUNTY FROM THE HISTORIC SOUTH MOUNTAIN FRUIT BELT

## INTRODUCTION

The Chesapeake Group with TischlerBise prepared an economic impact model of the Historic South Mountain Fruit Belt in Adams County. The analysis and resulting model would not have been possible if not for the remarkable level of cooperation from growers and members of the fruit industry and staff of the Penn State Cooperative Extension Service and the Adams County Planning and Development Office.

## BACKGROUND

Adams County has a diverse fruit crop industry. Long known for apples, Adams County also produces peaches, grapes, berries and other fruits. According to Penn State Extension surveys, there are over 31,000 acres of tree fruit in the Commonwealth with more than 20,000 of those acres found in the Historic South Mountain Fruit Belt of Adams County.

The success of any orchard is directly related to planning and preparation. Most commercial growers are now utilizing dwarf rootstocks because they are easier to manage and produce earlier with higher yields, resulting in an earlier return on investment.

## ANALYSIS PROCESS

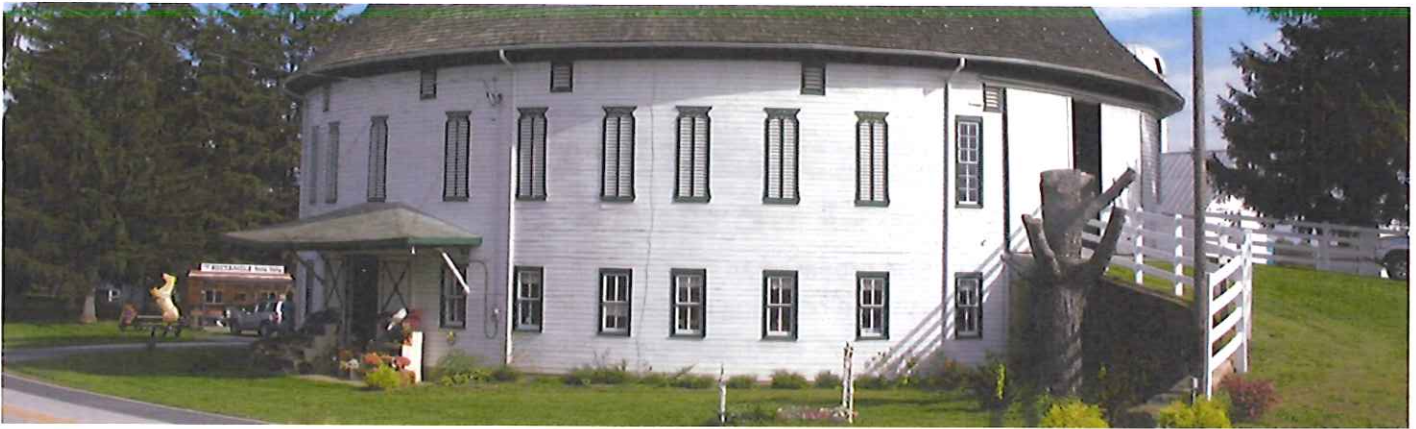
Through direct interviews with growers, primary data was collected from more than 80% of the county's fruit farms. The growers furnished income/revenue, cost, and employment figures as well as information on where supplies were purchased. Finished product producers and the largest processing and fresh wholesale and storage entities provided invaluable data on sales volumes, dollar distributions to growers, employment, and other information. Select suppliers of a range of materials utilized by fruit growers, including trees and other products, provided data through either interviews or telephone conversations.

## PRIMARY NOTES & ASSUMPTIONS IN MODEL

1. Both the growing/farming component of the industry and "but for" activity is considered.
2. Growth is anticipated for fresh and retail activity to varying degrees as built into the model.
3. With labor representing 45% to 50% of annual costs, those who work in any part of the fruit production process and live in Adams County have higher multipliers than those who do not.
4. Average annual repairs and maintenance of equipment, etc. is estimated at +/- 10%, and chemical/fertilizer annual costs are between 10% to 15%.
5. Annual cost of fuel is estimated to be between 5% to 10%. Annual added labor, fuel, and equipment costs for farmers market participants is slightly higher for those involved. Primary local expenditures other than labor are chemicals/fertilizers, shipping containers, and to a lesser extent equipment.

It is clear from data gathered at the 2015 Apple Blossom Festival and National Apple Harvest Festival that fruit farm related activity is capable of bringing residents from other areas into Adams County. In addition to Pennsylvania, visitors to the Festivals came from 17 other states.





Short of a catastrophic, non-predictable national or global physical or fiscal event and with continued growth in precision fruit growing in partnership with Penn State Extension/the Penn State Fruit Research and Extension Center, the Pennsylvania Apple Marketing Program and the State Horticultural Association of Pennsylvania the South Mountain Fruit Belt will remain healthy and viable for the foreseeable future, playing a major role in the economy of Adams County, Pennsylvania and the United States.

The signs of long-term viability and vitality include but are not limited to the increases in the production of fresh varieties, the transition to higher density trellised orchard production systems, and the increase in fresh fruit storage capacity (e.g., the four major fruit packinghouses and storage operations have significantly expanded their facilities in the past five years). The grower-owned Knouse Foods Cooperative continues to expand their operations and diversify product lines in their Adams County facilities. New value-added industries are emerging, such as wineries and hard cideries, and new products are being developed utilizing apples and other fruits. Direct sales to the consumer are expanding.



## MEASURED IMPACT.....

It is estimated that the Fruit Belt contributed roughly **\$580 million to the economy of Adams County** this past year. To provide some perspective, if all of the dollars went to pay for employment and assuming an average annual wage rate of \$30,000, this is the **equivalent of over 19,300 full-time jobs**.

- The direct impact of fresh apple production (more than \$70 million) presently exceeds the impact of apples grown for processing purposes (roughly \$61 million) when "but for" activity is excluded.
- Excluding "but for" activity, the impact of fruit grown for non-processed purposes in ten years (more than \$91 million) is expected to grow while the impact of apples grown for processing purposes will diminish to below \$57 million.
- Fresh and retail production impact is expected to grow by 24% over the next ten years.
- In addition, local taxes associated with fruit belt properties contribute \$16.4 million to the economy.
- Knouse Foods Cooperative will potentially expand their product lines, production, etc., but largely from intakes of fruit or other products from outside of the South Mountain Fruit Belt which are excluded from the model.







# Economic Impact of the Equine Industry in Adams County

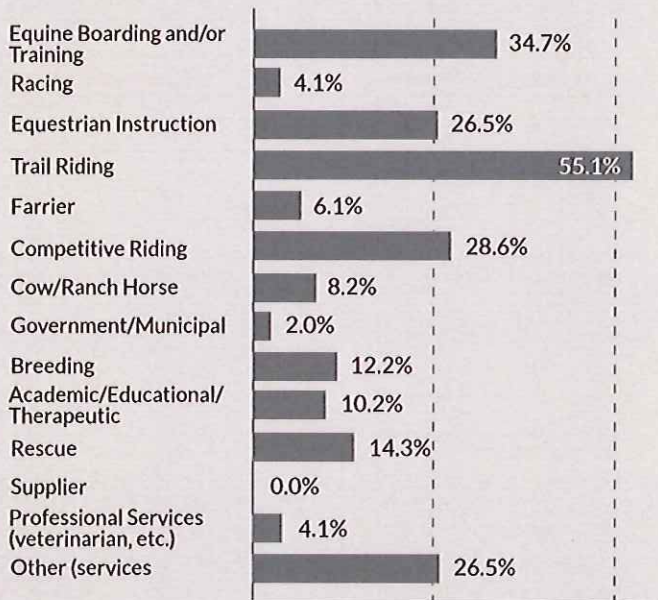
**Total Annual Economic Impact**  
**\$49,023,000**

**5,700**  
Horses

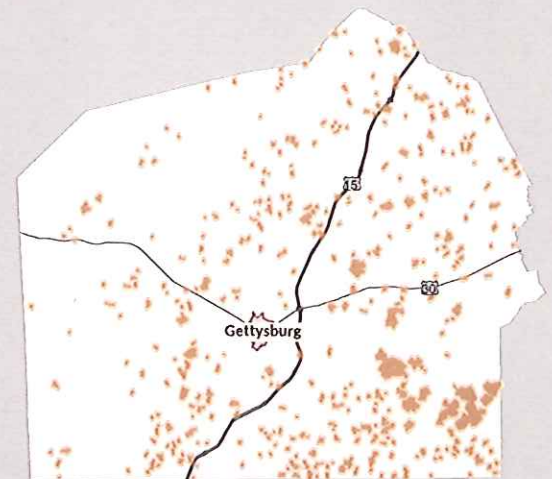
**8,489**  
Acres in Pasture Land

## USES of HORSES in ADAMS COUNTY

Survey respondents were asked to select what types of activities they used their horses for. Respondents were allowed to select more than one option.

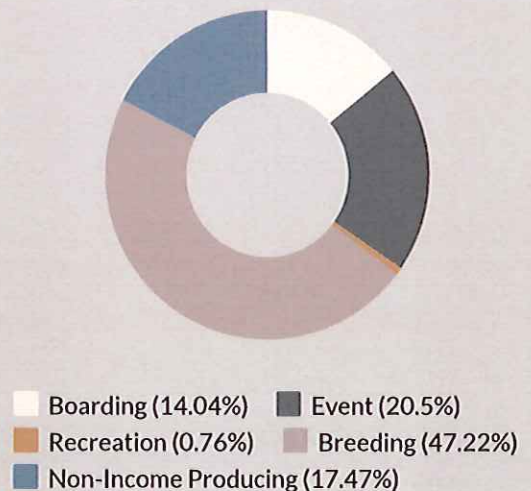


## DISTRIBUTION of HORSE PASTURE LAND IN ADAMS COUNTY\*



ACRES in PASTURE in BREEDER OPERATIONS	2,550 ACRES
ACRES in PASTURE in BOARDER, EVENT, and RECREATION OPERATIONS	5,939 ACRES
HORSES in BREEDER OPERATIONS	2,060 HORSES
HORSES in BOARDER, EVENT, and RECREATION OPERATIONS	3,640 HORSES
ACRES PER HORSE AVERAGE in BREEDER OPERATIONS	1.24 ACRES
ACRES PER HORSE AVERAGE in BOARDER, EVENT, and RECREATION OPERATIONS	1.63 ACRES

## PERCENTAGE of IMPACT BY OWNERSHIP TYPE



\*This map is for illustration purposes only and may not contain all horse pasture land