Poultry Production
in North Carolina

Broilers
Turkeys
Eggs
The farm yard in which a few chickens wander where they will, scratching about for whatever meal the yard will provide, is a relic of the agricultural past. As Americans have developed a taste for chicken and turkey, the poultry industry has changed dramatically. It has become an enormous business. Nowhere in the United States is that more true than in North Carolina. Indeed, raising poultry is arguably the single most important agricultural endeavor in which the state’s farmers are involved. Poultry is worth more to North Carolina farmers than even that venerable king of North Carolina crops — tobacco.

Since 1970, the production of broilers has almost tripled. North Carolina growers produced 1.1 billion pounds of broilers in 1970; in 1993 the number had risen to 3.1 billion pounds. Turkey production increased seven and a half times, from 176 million pounds in 1970 to 1.37 billion pounds in 1993.

Poultry is the engine that drives much of North Carolina agriculture. The following pages summarize research done in the departments of Agricultural and Resource Economics and Poultry Science at North Carolina State University on the economic impact of the poultry industry on the North Carolina economy. From the graphs, charts and numbers on these pages emerges a picture of one of North Carolina’s most important industries.

**NORTH CAROLINA POULTRY — AN INDUSTRY ASCENDING**

The North Carolina poultry industry has experienced explosive growth over the last two decades.

- Since the mid 1980s, more than 50 percent of all North Carolina agricultural cash receipts have come from livestock sales. Poultry accounts for 57 percent of livestock sales.

- In 1992, the average North Carolina broiler operation produced 236,000 birds annually, up from 78,000 in 1969.

- North Carolina growers produced 586 million broilers, 65 million turkeys and 1.6 billion table eggs in 1993, a survey of the poultry industry found.

- North Carolina is the largest turkey producer in the nation, the fourth largest broiler producer, and eighth largest egg producer.
Production and Value of Broilers, Turkeys, and Eggs in North Carolina

Source: North Carolina Agricultural Statistics, 1994
N.C. Poultry Industry: Final Point of Sale 1993—$2.307 billion

- Turkeys: 34%
- Broilers: 63%
- Eggs: 3%

N.C. Poultry Industry: Number of Contract Growers 1993—4,118

- Turkeys: 22%
- Broilers: 77%
- Eggs: 1%

Source: 1993 North Carolina Poultry Industry Survey
**North Carolina Poultry Industry Employment 1993**

Employed by poultry companies ...... 19,821
Number of contract growers .............. 4,118
Estimated employment by growers .... 1,330

**North Carolina Poultry Industry Earnings 1993**

Poultry companies' payroll .......... $331.9 million
Payments to growers ................... $214.8 million
Estimated wages of growers' employees .......... $16.0 million

**Value of North Carolina Poultry Industry Production 1993**
(dollars at final point of sale)

Broilers .................. $1.4 billion
Turkeys .................. $795 million
Table Eggs .............. $70 million

Source: 1993 North Carolina Poultry Industry Survey

**Note**

Final point of sale is the market value of poultry products processed in North Carolina plus the market value of poultry that is exported, or leaves the state before being processed.
Top North Carolina Poultry-Producing Counties
— Broilers

Broilers — millions of birds
Wilkes .................... 84.5
Moore .................... 63.7
Union .................... 62.4
Chatham .................... 54.1
Randolph .................... 46.6

Top North Carolina Poultry-Producing Counties
— Turkeys

Turkeys — millions of birds
Duplin .................... 12.5
Sampson .................... 11.7
Union .................... 10.4
Wayne .................... 6.2
Lenoir .................... 3.5

Multipliers for income and employment in North Carolina

INCOME: For every dollar of income earned by poultry processors, state income grows by three dollars.

× 3.00 =

EMPLOYMENT: For every person employed in poultry processing, state employment grows by 2.92 persons.

× 2.92 =
THE MULTIPLIER EFFECT

Most North Carolina poultry is produced under contract. Poultry companies contract with growers. The company typically provides birds, feed, veterinary services and technical expertise. Growers provide the housing, labor and utilities necessary to raise the birds.

In 1993, the poultry industry employed 25,269 North Carolinians, according to a research study done at North Carolina State University. Researchers found that poultry companies paid $331 million in wages to their employees and another $215 million to contract growers.

Those are impressive numbers, but they don't tell the whole story. Any economic activity has a ripple effect, like a stone thrown into a pool of water. A poultry company, for example, must purchase feed for the birds its contract growers raise. This means business for feed mills, which, in turn, must buy raw ingredients, such as corn and soybeans, in order to produce feed.

Economists call this ripple effect a multiplier. Multipliers are a convenient way to summarize the economic impact of an industry on the entire economy.

The income multiplier for poultry processing, for example, is 3.00, which means that for every dollar earned by poultry processing firms, three dollars are generated across the state's economy. Similarly, the poultry industry employment multiplier is 2.92, meaning that for every employee hired by a poultry processing facility, employment across the state increases by 2.92.

When economists use multipliers to get to the bottom line, they estimate that the North Carolina poultry industry supports almost 52,000 jobs and contributes almost $1.6 billion to the state's income.

The long, low houses in which chickens and turkeys are raised can be found on farms across North Carolina. The activity that takes place in these houses has become one of the most important segments of the state's economy, providing thousands of North Carolinians with jobs and paychecks.
Published by
North Carolina Agricultural Research Service
College of Agriculture and Life Sciences
North Carolina State University

January 1995

This report contains information available in Impact of the Poultry Industry on the Economy of North Carolina, a forthcoming bulletin from the North Carolina Agricultural Research Service, College of Agriculture and Life Sciences, North Carolina State University. Impact of the Poultry Industry on the Economy of North Carolina was prepared by members of the Departments of Agricultural and Resource Economics and Poultry Science, College of Agriculture and Life Sciences. The authors are Dr. Tomislav Vukina, Dr. Fritz Roka, Dr. Tom Carter, Dr. Jon Brandt, and Dr. Kelly Zering.

5,000 copies of this public document were printed at a cost of $2,800, or $0.56 per copy.

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