Forest industries directly contributed $206 million of industry output to the Cherokee County economy in 2007, employing around 1,149 people with a payroll of $36 million. State and local taxing jurisdictions in Cherokee County received $1.6 million directly from forest industries in indirect business taxes (such as sales and use taxes, property taxes, and government revenues from permit fees and licenses.) The forest industry had a total economic impact (direct, indirect, and induced) of $314 million in industry output in the local economy and supported 1,914 jobs with a payroll of $60 million. Every job created in the sector resulted in another .67 jobs in the county. Every dollar generated in the sector contributed an additional 52 cents to the rest of the economy in Cherokee County.

Economic Impacts of the Forest Sector in Cherokee County

- The value of timber ranked second among the top agricultural commodities in Cherokee County, only behind nurseries and greenhouses.

- The wood-based industry was the second largest manufacturing sector in the county.

- Cherokee County ranked tenth among all East Texas counties in terms of output value of forest industries in 2007.

For more information on economic impacts of forest industries in Texas, please visit http://texasforestservice.tamu.edu.
Glossary

**Industry output** is the total value of production or service by industry for a given time period.

**Employment** includes full-time and part-time employees, and self-employed.

**Labor income** includes wages, salary and benefits of employees as well as income for self-employed individuals.

**Direct effects** refer to the sector's own production, value-added, employment and labor incomes.

**Indirect effects** refer to the economic activities in other sectors impacted by the forest sector's purchase of goods and services.

**Induced effects** are economic activities from consumption of goods and services using incomes generated from the direct and indirect effects.

**SAM** is the acronym for Social Accounting Matrices, a macro accounting system widely used by many countries for analyzing relationships of economic activities such as production, consumption and trade between various economic entities.

**Direct economic impact** of a sector includes only direct effects.

**Total economic impact** of a sector includes all three effects generated by the sector.