

The World's Largest Open Access Agricultural & Applied Economics Digital Library

## This document is discoverable and free to researchers across the globe due to the work of AgEcon Search.

Help ensure our sustainability.

Give to AgEcon Search

AgEcon Search
<a href="http://ageconsearch.umn.edu">http://ageconsearch.umn.edu</a>
<a href="mailto:aesearch@umn.edu">aesearch@umn.edu</a>

Papers downloaded from **AgEcon Search** may be used for non-commercial purposes and personal study only. No other use, including posting to another Internet site, is permitted without permission from the copyright owner (not AgEcon Search), or as allowed under the provisions of Fair Use, U.S. Copyright Act, Title 17 U.S.C.

## A FURTHER NOTE

Much of the misunderstanding demonstrated by the above exchange appears to be related to "quality." The original Kilby article used the word "quality" in three different connections:

quality of fruit—oil content of the fruit quality of oil—free fatty acid (f.f.a.) content of the oil "quality differential"—Z in Kilby's model.

It is unfortunate that the word "quality" appeared in the description of Z since both the original article and Kilby's Reply show that Z represents a difference in the stage of processing and packaging, and that it is not related to the oil content of fruit, or to f.f.a. content of oil.

Palm oil is graded according to its f.f.a. content. The original article states that the f.f.a. content of oil depends entirely on the amount of fermentation that has taken place in handling, and is not related to the oil content—"quality"—of fruit (pp. 183, 190). Moreover both primitive and advanced technologies now produce oil of low f.f.a. content—high "quality" (p. 189). For this reason an indicator based on the percentages of Special Grade oil produced is bound to show little or no distinction between the technologies. Purvis provides such a differential in his Table 2. His differentials would be even smaller with more realistic, and less "generous" approximated percentages for private Pioneer mills and Stork presses. Since there is not much difference in the "quality of oil" produced by the primitive and advanced technologies the utility of this indicator is not apparent. Kilby's Z, however, remains a necessary component of the model to take care of the later stage of processing represented by the output of the advanced technology.

<sup>\*</sup> The author is Associate Statistician, Food Research Institute, Stanford University.