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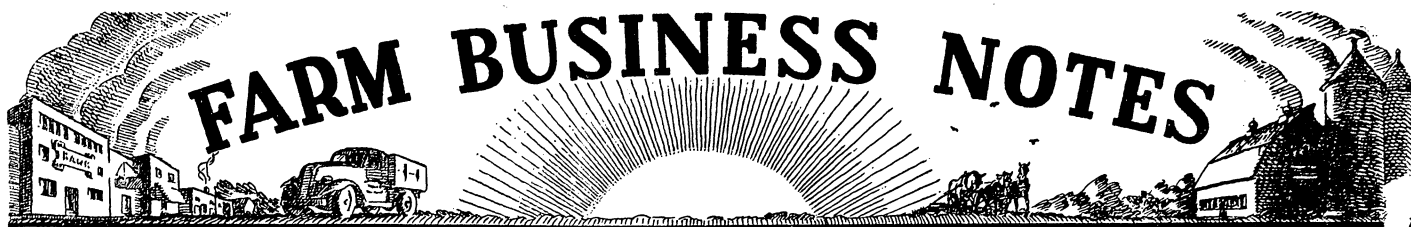
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Prepared by the Divisions of Agricultural Economics and Agricultural Extension  
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# Livestock Marketing in Faribault County

C. G. GAYLORD

Farmers of Faribault County, Minnesota, are more aware of current problems in marketing livestock because of two separate studies made by the County Agricultural Extension Service in cooperation with representative farmers and local market agencies. Data were obtained by mail for the first study which covered the two-year period 1938-39,<sup>1</sup> and by means of personal interviews by 77 neighborhood leaders for the second study which covered the period 1941-42.<sup>2</sup>

The objectives of these studies were twofold: first, to obtain marketing information from representative farmers concerning the movement of hogs, cattle, and sheep from farm to market for the periods 1938-39 and 1941-42, and, second, to encourage intensive study by farmers of factors involved in the determination of time and place of marketing livestock, and the effectiveness of various marketing services.

## Livestock Markets Available in County

Fifteen major local dealers, eight cooperative associations, two packer buying stations, and one livestock auction were handling livestock in Faribault County in 1941-42. Interior packing plants at 10 points in Minnesota and Iowa range in distance from 37 to 150 miles from Blue Earth, the county seat of Faribault County. Public markets at South St. Paul, Minnesota, Sioux Falls, South Dakota, Sioux City, Iowa, and Chicago, Illinois, are 130 to 419 miles distant from the county seat. Thus, Faribault County farmers have many and varied types of market outlets and services available to them for marketing livestock.

## Source of Market News

Two questions were asked farmers concerning the source of market news received: first, "How do you get your market information?" and, second, "On which do you depend most?" (See table 1.)

<sup>1</sup> Extension Pamphlet 77, Agricultural Extension Service, University Farm, St. Paul, February 1941.

<sup>2</sup> Extension Pamphlet 135, Agricultural Extension Service, University Farm, St. Paul, April 1944.

### University Farm Radio Programs

HOMEMAKERS' HOUR—10:45 a.m.

UNIVERSITY FARM HOUR—12:30 p.m.

THE FRIENDLY ROAD—1:00 p.m.

Station WLB—770 on the dial

In answering the question as to the effectiveness of the available market news, 61.6 per cent of the farmers reporting for 1938-39 were of the opinion that they could appraise satisfactorily hog values in terms of information received; 29.2 per cent believed they could appraise cattle values; and 35 per cent, sheep values. For the period 1941-42, corresponding figures were 94.1 per

cent for hogs, 61.8 per cent for cattle, and 82.3 per cent for sheep. This indicates that under the systems of grading and market news reporting, farmers felt they could appraise hog values better than sheep, and sheep than cattle.

In answer to the question, "Would a uniform grading system on all markets help clarify market information given you?" over 84 per cent of those reporting answered, "Yes," for the period 1941-42, and 79.2 per cent answered, "Yes," to a similar question for 1938-39. Thus, farmers of Faribault County favor greater standardization of grading of market livestock on all markets each day, and on the same market from time to time.

To determine some of the factors involved in the process of choosing market outlets for livestock, approximately two thirds of those reporting checked "Higher net price bid," two thirds "Less time on the road to market," one half "Less travel involved," one half "Less handling costs," and one half indicated "Confidence in the shipper or buyer" was a major item. Thus Faribault County farmers tend to use the most convenient outlets consistent with what they believe to give them the highest net return.

Table 1. Source of Market News Received by Faribault County Farmers, 1938-39, 1941-42

Source	Using specified source		Most dependent on specified source	
	1938-39	1941-42	1938-39	1941-42
	Number			
Number reporting .....	350	390	350	315
Radio .....	304	370	177	233
Local buyer or shipper.....	196	237	68	59
Daily paper .....	164	198	21	19
Telephone .....	71	118	6	5
Weekly paper .....	36	84	1	7

### Transportation

Reports of 368 farmers for the period 1941-42 indicated that 95.3 per cent of the hogs, 97.4 per cent of the cattle, and 99.9 per cent of the sheep from Faribault County were shipped by truck. This has been a vital factor, as marketings increased and trucking facilities became worn and scarce.

**Table 2. Sales of Livestock by 350 Faribault County Farmers, by Markets and Agencies Used, 1938-39 and 1941-42**

	Hogs		Cattle		Sheep	
	1938-39	1941-42	1938-39	1941-42	1938-39	1941-42
	Per cent					
Local dealers .....	32.7	44.2	20.9	28.9	11.7	17.1
Direct to packers .....	36.2	35.1	35.2	33.9	73.1	70.6
Coop. mktg. assns.....	24.6	16.8	8.3	9.5	9.4	2.4
Public markets .....	5.1	3.2	31.4	24.5	4.5	9.1
Livestock auctions .....	*	.7	*	3.2	*	.8
Local farmers .....	1.4	†	4.2	†	1.3	†

\* No data available.

† Included under local dealer.

Table 2 shows that over one third of the hogs, about one third of the cattle, and well over two thirds of the sheep were sold by individual Faribault County farmers direct to packers during the two periods. Farmers sold to local dealers about one third of the hogs, one fourth of the cattle, and one eighth of the sheep. Farmers marketed through cooperative associations about one sixth of the hogs, one twelfth of the cattle, and few sheep. Farmers sold directly to public markets slightly over one fourth of the cattle, but few hogs and sheep.

Local dealers of Faribault County in the two periods sold over 95 per cent of their hogs, over one third of their cattle, and about one half of their sheep direct to packers (table 3). Approximately 40 per cent of their cattle were sold through public markets.

Cooperative associations moved practically all of their hogs, over two thirds of their cattle, and three fourths of their sheep direct to packers in the two periods (table 4). In 1941-42, a greater proportion of their cattle and sheep were sold direct to packers than in 1938-39. It is evident that these associations were merchandising livestock in the country during these periods, whereas in the early days of their operation they tended to function largely as forwarding associations.

**Table 3. Sales of Livestock Handled by Local Dealers in Faribault County, by Markets, 1938-39, 1941-42**

	Hogs		Cattle		Sheep	
	1938-39	1941-42	1938-39	1941-42	1938-39	1941-42
	Per cent					
Direct to packers:						
Albert Lea .....	66.6	55.8	15.0	13.4	85.3	42.5
Austin .....	26.3	31.1	27.8	18.0	11.4	3.7
Others .....	3.4	8.2	1.6	2.1	2.4	.....
Total .....	96.3	95.1	44.4	33.5	99.1	46.2
Public markets:						
South St. Paul .....	1.6	1.3	27.5	38.7	.....	16.2
Chicago and others.....	.8	.....	11.2	1.9	.....	.....
Total .....	2.4	1.3	38.7	40.6	.....	16.2
Local farmers .....	1.3	3.6	16.9	25.9	.9	37.6

**Table 4. Sales of Livestock Handled by Local Cooperative Associations in Faribault County, by Markets, 1938-39 and 1941-42**

	Hogs		Cattle		Sheep	
	1938-39	1941-42	1938-39	1941-42	1938-39	1941-42
	Per cent					
Direct to packers:						
Albert Lea .....	29.7	54.7	29.3	57.8	23.8	51.6
Austin .....	40.1	35.8	31.8	20.0	41.2	36.2
Others .....	27.8	7.6	8.7	1.6	.....	.....
Total .....	97.6	98.1	69.8	79.4	65.0	87.8
Public markets:*						
South St. Paul .....	2.3	1.4	30.2	15.8	35.0	11.1
Local farmers .....	.1	.5	.....	4.8	.....	1.1

\* Only one public market used.

Of the sales originating on Faribault County farms in 1938-39 and 1941-42 over 90 per cent of the hogs, over half of the cattle, and over 80 per cent of the sheep were sold direct to packers, either by individual farmers, local dealers, or cooperative associations (table 5). Two fifths of the cattle, during the same periods, were sold at public markets.

**Table 5. Combined Sales of Livestock by Farmers, Local Dealers, and Local Cooperative Associations of Faribault County, by Markets, 1938-39 and 1941-42**

	Hogs		Cattle		Sheep	
	1938-39	1941-42	1938-39	1941-42	1938-39	1941-42
	Per cent					
Direct to packers:						
Albert Lea .....	49.2	56.4	25.2	29.1	77.1	50.8
Austin .....	31.7	30.2	22.6	19.2	12.7	29.9
Others .....	10.8	7.0	2.5	2.9	1.0	.....
Total .....	91.7	93.6	50.3	51.2	90.8	80.7
Public markets:						
South St. Paul .....	5.7	3.9	34.2	34.5	7.1	12.1
Chicago and others.....	.8	.1	7.8	3.2	.7	.....
Total .....	6.5	4.0	42.0	37.7	7.8	12.1
Local farmers .....	1.8	2.4	7.7	11.1	1.4	7.2

## Saving Steps in Dairy Feeding

S. A. ENGENE and V. G. DOSE

According to detailed records for a group of Nicollet County dairy farmers, about one half of the feeding time is spent in travel. Reducing the distance traveled can save both time and effort. Saving five steps a day will save a mile of travel in a year.

The distance traveled can be reduced by storing feed close to the cattle. Most dairy barns are arranged for convenient feeding of hay, although some lack convenient access to the haymow.

Silage, however, must be carried or carted for considerable distances in many barns. A common practice is to carry it in baskets, feeding two cows to a basket. In three herds of 16 cows each the farmer carried eight baskets to the cows and three to the young stock, with the distance traveled totaling 936 feet per feeding. Feeding twice a day for six months this is a total distance of 65 miles. If the silos had been built 5 feet closer to the barn, these farmers

would have saved 10 feet of travel for each basketful or more than nine miles in a six-month feeding season. At average speed this would save four hours or almost half a day.

Grain is frequently carried from the granary. On one farm four baskets a day were carried from the granary 96 feet from the feed alleys. Since this quantity was fed throughout most of the year it represents 53 miles a year. A large part of this travel could have been saved if the granary had been located closer to the barn, or if the grain had been stored in the barn.

The distance traveled can also be reduced by moving the feed in larger quantities, with fewer trips. Carrying feed in baskets instead of small pails may reduce the number of trips. The size of the basket must be adjusted to the worker and the kind of material handled. On one farm ground ear corn was carried to the cows in two 10-quart pails. Eleven trips, averaging 75 feet each, were made to feed 16 cows. A bushel-and-a-half basket with one sloping side, like a coal scuttle, to permit carrying the basket on a shoulder strap and feeding with a hand scoop was substituted. Travel was reduced to three trips of 99 feet each. Total travel was reduced from 830 feet to 297 feet for each feeding, or from 115 to 41 miles per year.

Larger quantities can be moved on wheels than can be carried. One farmer brought four baskets of grain from the granary each day. The total distance traveled for feeding was 1,048 feet per day. By using a six-bushel cart and making only one trip a day the travel was reduced to 576 feet, a saving of almost one half. Satisfactory carts should have large wheels, preferably rubber tired, and be such size that they can be easily pushed and handled around the barns. They are most successful if all raised door sills have been removed and inclines are gentle.

Large loads can be moved in wagons or trucks. The economy of this, however, may be offset by extra handling. It would take the farmer mentioned in the previous paragraph about 35 minutes to load by hand, haul to a bin in the barn, and unload 50 bushels of ground grain. He would save only 25 minutes by feeding from a bin into barn compared with bringing it in bushel-and-a-half baskets from the granary 85 feet farther away. Time and effort could have been saved if the grain had been blown into the truck from the hammer mill and had been dumped or pushed into a box in the barn.

## The Egg Situation

W. H. DANKERS

The 1944 U. S. farm egg production is estimated at 4.8 billion dozen, 6 per cent above the 1943 record and 58 per cent above the prewar (1935-39) average. Egg production was increased in response to a favorable price which in turn reflected a favorable demand. For several years the supply of protein foods, especially red meats, has been limited and largely rationed. The unsatisfied civilian demand was in part shifted to eggs. In addition, eggs were desired for military, lend-lease, and relief purposes.

The relatively high ceiling price on eggs in 1943 and a continued demand that kept prices at or near the ceiling

resulted in maximum egg production with the flocks on hand and an increase in the 1943 chick hatch. The large 1943 hatch in turn brought forth a larger laying flock for 1943-1944.

The increased supply of eggs caught up with the wartime demand for eggs in late 1943, and especially during the first half of 1944, when record egg production, accompanied by a weak demand for dried eggs, lack of storage space, and other marketing difficulties resulted in a burdensome egg supply. To support prices the government purchased approximately 5½ million cases of shell eggs plus 61 million pounds of dried eggs above the original intent to purchase 185 million pounds of dried eggs.

Agreement had not been reached on what constituted 90 per cent of parity, as provided for in the Steagall Amendment. The application of this provision was complicated because there are normal regional and seasonal egg price variations and price variations between grades. The annual average U. S. farm support price for 1944 was quoted at 34 cents per dozen. The average price received exceeded this slightly.

### Suggest Culling Surplus Hens

The experience in 1944 suggested that egg production should be cut. A reinterpretation was made of the provision for a support price at 90 per cent of parity, and the War Food Administrator announced "a minimum 1945 producer price of 27 cents per dozen for candled eggs." Also, in late 1944 the egg production goal for 1945 was established at 3,920 million dozen, 16 per cent below the estimated 1944 record production of 4,676 million dozen. This goal allowed a civilian per capita consumption of 340 eggs. It was suggested that 50 million surplus laying hens should be culled.

Following the military setback in Europe, ration points were again tightened on red meats, and a further shift to eggs was expected. Dried egg shipments to foreign countries for relief purposes became a better possibility. Consequently the 1945 egg production goal was raised to 4,350 million dozen eggs. This goal allows 347 eggs for each civilian in 1945, equal to the record consumption of 1944, and 49 eggs over the prewar 1935-39 average. In addition it provides a supply for government purchase.

### Egg Situation Uncertain

The egg situation is uncertain. Much depends on the war, and how well dried eggs will "take" for relief purposes. The outlet for dried eggs, which is not entirely certain, is estimated at 325 million pounds of which about 125 million pounds were carried over from 1944. This would require a 1945 production of about 200 million pounds, compared with 275 million in 1944.

The last announced support price of 27 cents per dozen is still in question. Is it a minimum average U. S. price, or is it a minimum price in all areas and at all seasons? The effects on production and between areas would be quite different.

The number of potential layers on farms January 1, 1945, was 463 million head, 10 per cent less than a year ago. The rate of lay was still above the high level of a year ago.

## Minnesota Farm Prices For January, 1945

Prepared by W. C. WAITE and R. W. COX

The index number of Minnesota farm prices for January, 1945, is 168. This index expresses the average of the increases and decreases in farm product prices in January, 1945, over the average of January, 1935-39, weighted according to their relative importance.

### Average Farm Prices Used in Computing the Minnesota Farm Price Index, January, 1945, with Comparisons\*

	Jan. 15, 1945	Dec. 15, 1944	Jan. 15, 1944		Jan. 15, 1945	Dec. 15, 1944	Jan. 15, 1944
Wheat	\$ 1.45	\$ 1.45	\$ 1.48	Hogs	\$13.70	\$13.30	\$12.80
Corn	.86	.89	1.01	Cattle	11.10	11.20	11.50
Oats	.66	.61	.71	Calves	12.70	12.60	12.40
Barley	1.01	.95	1.07	Lambs-Sheep	12.22	11.74	12.00
Rye	1.06	1.00	1.12	Chickens	.21	.22	.21
Flax	2.91	2.91	2.86	Eggs	.35	.36	.29
Potatoes	1.35	1.30	1.15	Butterfat	.53	.53	.53
Hay	11.90	11.50	9.30	Milk	2.75	2.80	2.75
				Wool†	.41	.41	.40

\* These are the average prices for Minnesota as reported by the United States Department of Agriculture.

† Not included in the price index number.

The Minnesota farm prices of oats, barley, and rye increased by a few cents from December to January but the price of corn declined. With the exception of cattle, the prices of livestock increased somewhat. Prices of livestock products remained close to their December levels. The Minnesota farm price index is three points higher than in January, 1944. While the crop price index decreased 5.5 points, the livestock price index and the livestock product price index increased by 4.8 and 4.1 points, respectively. The Minnesota purchasing power of farm products and the Minnesota farmers' share of the consumers' dollar are about the same as one year ago.

The feed ratios are all higher compared with January, 1944. The increase has been due largely to the decline in the prices of feed grains, particularly corn. Producers of butterfat received a feed payment of 10 cents per pound in January. If this is added to the reported price of this product, the butterfat-farm-grain ratio would be 32.5.

### Indexes and Ratios for Minnesota Agriculture\*

	Jan. 15, 1945	Jan. 15, 1944	Jan. 15, 1943	Average Jan. 1935-39
U. S. farm price index	187.1	180.5	166.7	100
Minnesota farm price index	167.7	164.6	162.7	100
Minn. crop price index	162.9	168.4	122.7	100
Minn. livestock price index	172.4	167.6	178.6	100
Minn. livestock product price index	162.8	158.7	155.8	100
U. S. purchasing power of farm products	130.7	129.0	129.6	100
Minn. purchasing power of farm products	117.1	117.7	126.3	100
Minn. farmers' share of consumers' food dollar	61.7†	62.2	60.4	48.4
U. S. hog-corn ratio	12.9	11.3	16.0	12.7
Minnesota hog-corn ratio	15.9	12.7	18.4	14.9
Minnesota beef-corn ratio	12.9	11.4	15.4	11.7
Minnesota egg-grain ratio	17.5	13.4	21.1	15.0
Minnesota butterfat-farm-grain ratio	27.3	25.0	36.2	33.9

\* Explanation of the computation of these data may be had upon request.

† Figure for November, 1944.

## Minnesota Export Sales

A portion of the products sold by Minnesota farmers finds markets outside the United States. The precise amounts entering this export trade are impossible to determine since the origin of products in our export trade is unrecorded. Assuming, however, that the same proportion of the Minnesota farm sales reaches the export market as for farm sales of the same commodities for the United States as a whole, the proportions shown in the table below are obtained. Even though the Minnesota product itself does not reach an export outlet it does in part at least replace a similar product in the domestic market which has been exported.

### Estimated Proportion of Minnesota Farm Sales Entering the Export Market

Period	Per cent	Period	Per cent
1910-14	8.9	1930-35	2.2
1915-19	15.9	1935-39	1.7
1920-24	11.1	1940-41	1.7
1925-29	5.6		

The export market was of greatest importance as an outlet for Minnesota products during the period of World War I and in the years immediately following. In 1918, the peak year, about one fifth of all Minnesota farm products sold entered the current of export trade. The exports of wheat and hogs were important during this period and Minnesota was then a large wheat producer and expanding in hog production. During the twenties Minnesota agriculture shifted toward the production of commodities that were of less importance in export trade, and barriers in the former importing markets restricted exports of commodities that had formerly been important in exports. The result was a great decline in the importance of exports as a market for Minnesota agricultural products. For the decade of the thirties only about 2 per cent of the cash farm sales of the state can be allocated to export trade on the basis of our assumptions.

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