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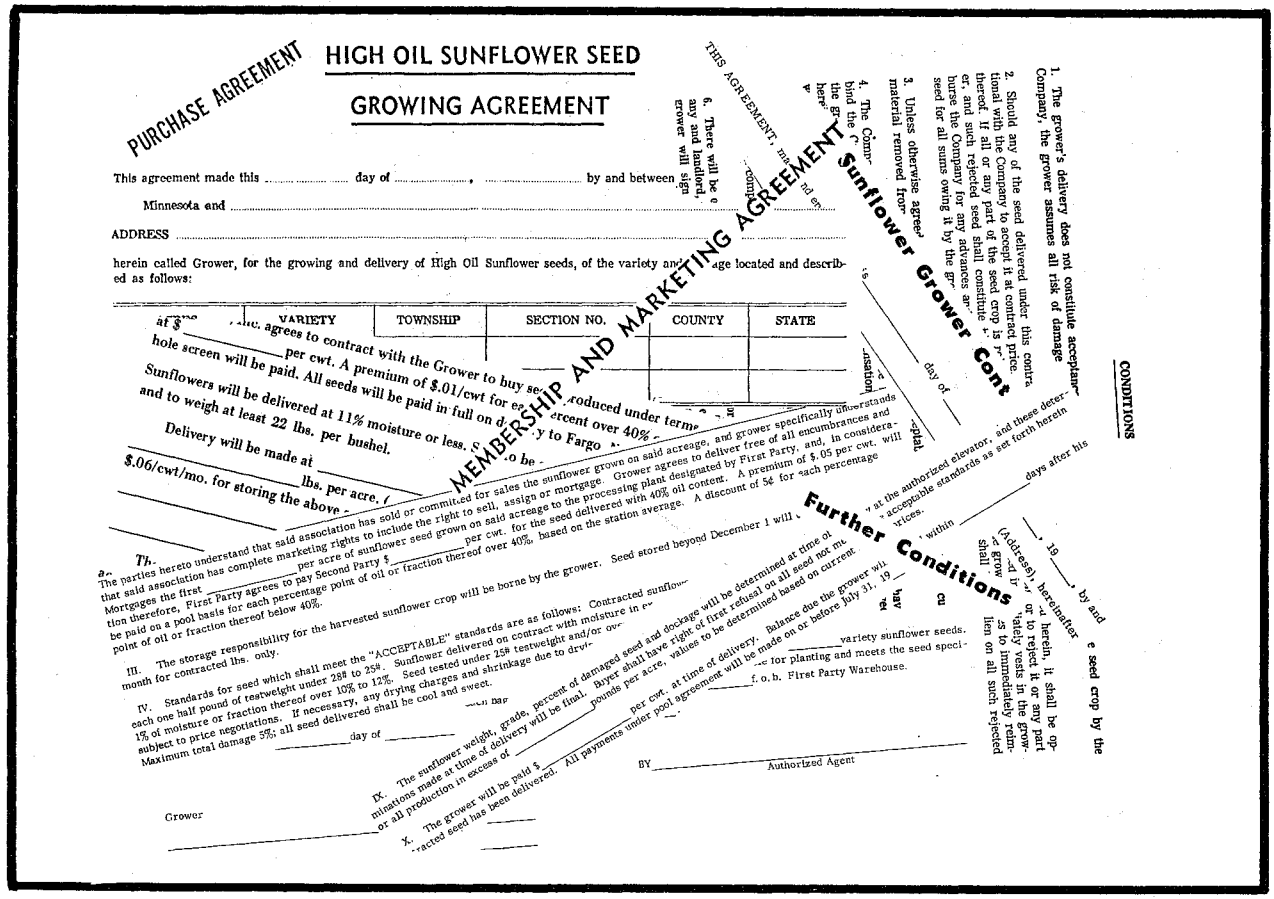
SUNFLOWER PRODUCTION CONTRACTS

Provisions and Analysis

DAVID W. COBIA



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FOREWORD

Provisions of sunflower production contracts in North Dakota and Minnesota are summarized in this report. A procedure which can be used to compare the economic value of contracts is also presented.

Extensive commercial production of sunflowers is relatively recent. Contracts provide growers with an assured market, guaranteed price, and assistance in proper growing practices. Processors and marketing agencies can better control quality and supply through contracts. The proportion of sunflower growers under contract has been declining as farmers become more familiar with the crop, because of expanding market outlets, and because several contractors wish to avoid costs of contracting.

Sunflowers are contracted directly with contractors or through their agent country elevators. Contracts generally specify acreage, price, quality, delivery, and payment provisions. Provisions of 17 contracts are summarized and a method of selecting the most profitable contract is explained.

ACKNOWLEDGMENTS

Appreciation is extended to the sunflower contractors and processors for their cooperation in supplying the contracts. A special acknowledgment is made to Jerome Johnson, Gordon Erlandson, Don Scott, and LeRoy Schaffner for their careful review of the manuscript and helpful suggestions. Funds for conducting this research were from the North Dakota Agricultural Experiment Station Project H-3-47.

CONTENTS

SUNFLOWER PRODUCTION CONTRACTS: PROVISIONS AND ANALYSIS

By
David W. Cobia*

Traditionally, most of the sunflower crop in the United States has been grown under contract. Industry sources indicate that prior to 1971 nearly 100 percent was grown under contract in most years. About 85 percent of the crop was contracted in 1973. Contracting has since declined, especially for oil types. This resulted from generally higher market prices at harvesttime than contract prices, more marketing alternatives, and the decision by several oil-type buyers to procure most of their supplies from uncontracted sources.

The two major classes of sunflowers are (1) oil types or those grown for vegetable oil and meal and (2) non-oil types or those grown for human food and bird feed. The oil-types are black-seeded with a thin hull which adheres to the kernel. Non-oil sunflowers have a striped seed with a relatively thick hull which is free of the kernel. Non-oil sunflowers are also referred to as confectionery, large seeded, or striped.

Position of Growers and Contractors

Sunflowers are contracted either directly with processing and marketing firms or through country elevators which act as their agents. Starting in January, contractors sponsor promotional meetings for elevator managers and farmers to explain their contracts and answer questions. Contracts generally specify acreage, price, quality, delivery, and payment provisions. Other than specifying the recommended agronomic practices, no financing or other inputs are supplied by the contractor. Most contractors supply planting seed to growers, and a few contractors carry the seed cost to harvest.

Growers and contracting firms have common, independent, and conflicting interests in the contracts.

Growers' Position

When sunflowers were getting established as an alternative crop, growers needed the assurance of a market, guaranteed price, and quality planting seed, all of which are generally available from contracting firms. Also information on crop production practices is generally available from contracting firms at their grower meetings and from their fieldmen. The major disadvantage of contracts to growers is not being able to take advantage of

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higher harvesttime prices. Some contracts have provided a mechanism for sharing price increases with the grower. Most contracts have not required the grower to deliver sunflowers if the crop failed.

Growers who do not want to contract can obtain planting seed from most country elevators or other seed outlets. As the size and number of sunflower processing and marketing firms have increased, it has become increasingly easier, particularly for those growing oil types, to sell uncontracted production.

Contractors' Position

Marketing and especially processing firms are interested in contracts to ensure quality and an adequate supply of product to keep plants operating and to meet forward commitments. The contracts are used to give growers advance notice of the desired quality and quantity. Disadvantages to contractors are the costs of handling contracts, grower meetings, and publicity.

Early each year many non-oil sunflower companies make supply contracts with firms which further process non-oil types and distributors. These contracts specify quantity, quality, and price. During negotiations, a farm price is estimated which is expected to result in sufficient contracted acreage to meet these forward commitments. Grower contracts help the industry avoid shortages or surpluses.

Oilseed processors and marketing firms offer farmers either an export price or a price reflecting the expected value of the end products (oil and meal). Sunflowers can be hedged on soybean oil and meal futures because sun-oil and meal prices have traditionally been related to soybean oil and meal prices. Thus, most of the sunflower acreage which is contracted has previously or simultaneously been committed at a price by contractors. Therefore, contractors generally do not reap windfall gains when prices increase nor do they lose when prices fall.

Provisions of Contracts

Seventeen contracts used during the 1973 growing season were examined. Seven contracts required oilseed varieties, six specified non-oil or confectionery-bird food varieties, and two permitted either type. A lot of variation existed among the contracts in 1973. Contracts offered have also varied from year to year.

Maximum Yield Covered by Contract

The contracts had four ways to specify the quantity of sunflowers to be produced. A few contracts specified the volume, as in grain contracts. In some cases the farmer has several options, such as specifying the maximum yield covered by the contract within a given range. Half of the contracts covered the entire production, regardless of yield, from the contracted acreage at the contract price.

For most other contracts the contract price covered up to a maximum yield of from 600 to 1,500 lbs./acre. Contractors obtain the right of first refusal at the market price at delivery on production over the maximum quantity covered by the contract price. The maximum-yield-per-acre provision protects the contractor from an over commitment in case of a crop failure and from accepting supplies for which he has no outlets at high prices in case of a bumper crop. The farmer gets a guaranteed price on most, if not all, of his production and he can sell any excess production at market prices. Market prices have been higher than the contract price in recent years.

Seed

Most contracts required that the planting seed be obtained from the contractor or his agent elevator. A few contracts specified the rate of planting. Seed prices vary with contractor and variety. Some non-oil contractors have provided free seed. Others finance seed costs until harvesttime.

Transportation

The grower usually delivers his crop to the local affiliated elevator (contractor's agent). A few contracts required the grower to deliver the crop to a specified location. Others pay growers for delivery.

Delivery Date

Most contracts did not specify a delivery date, but it is generally understood that delivery will be at harvest. Contracts that specified delivery conditions either required a harvest delivery, provided a delivery option before November, or required delivery at the convenience of the contractor, but no later than a month specified in the contract.

Income from Storage

Growers required to store sunflowers by a contract were usually paid a storage fee at a monthly rate. Several starting

dates and rates were used. Examples of storage income are depicted in Figure 1. For example, the contract depicted by line "a" in Figure 1 paid 7 cents/cwt. beginning November 1 plus 5 cents/cwt. per month for each additional month, and contract "h" paid 10 cents/cwt. per month beginning March 1. Monthly rates ranged from 4 cents to 10 cents per cwt., and the starting date for these payments to begin ranged from November to March. Generally, lower monthly payments are paid for early starting dates so that by April the difference between contracts is down to 12 cents/cwt. from a 25 cent difference on December 1.

Storage offers farmers additional income, a delay in payment until the next tax year, and the convenience of storing during a busy harvest. Disadvantages are storage expenses, the risk of the crop going out of condition while in storage, the extra trouble of moving the crop out of storage, and delayed payment.

Several contractors require delivery at harvest because they have sufficient storage, to assure greater quality control, or to move the crop into export channels. Even so some contractors offer farmers the storage option because several farmers want to store. Farm storage is important to some contractors because it reduces demands on their available storage, helps smooth product flow through the processing facility, and reduces capital requirements for inventory.

Payment Provisions

Several payment schedules were observed (Table 1). Only three contracts provided a choice.

TABLE 1. GROWER PAYMENT PROVISIONS IN 17 NORTH DAKOTA AND MINNESOTA SUNFLOWER CONTRACTS, 1973

Payment Provision	Contracts
	percent
At delivery	17.6
Within 10 or 30 days of delivery	17.6
Payment schedule (e.g., $2.00/cwt. at delivery, balance before June)	17.6
As grower specifies	17.6
Not specified	29.6
	100.0

Payment provisions are important because they provide a method of shifting income for income tax purposes and because with delayed payment the grower loses use of his money to either

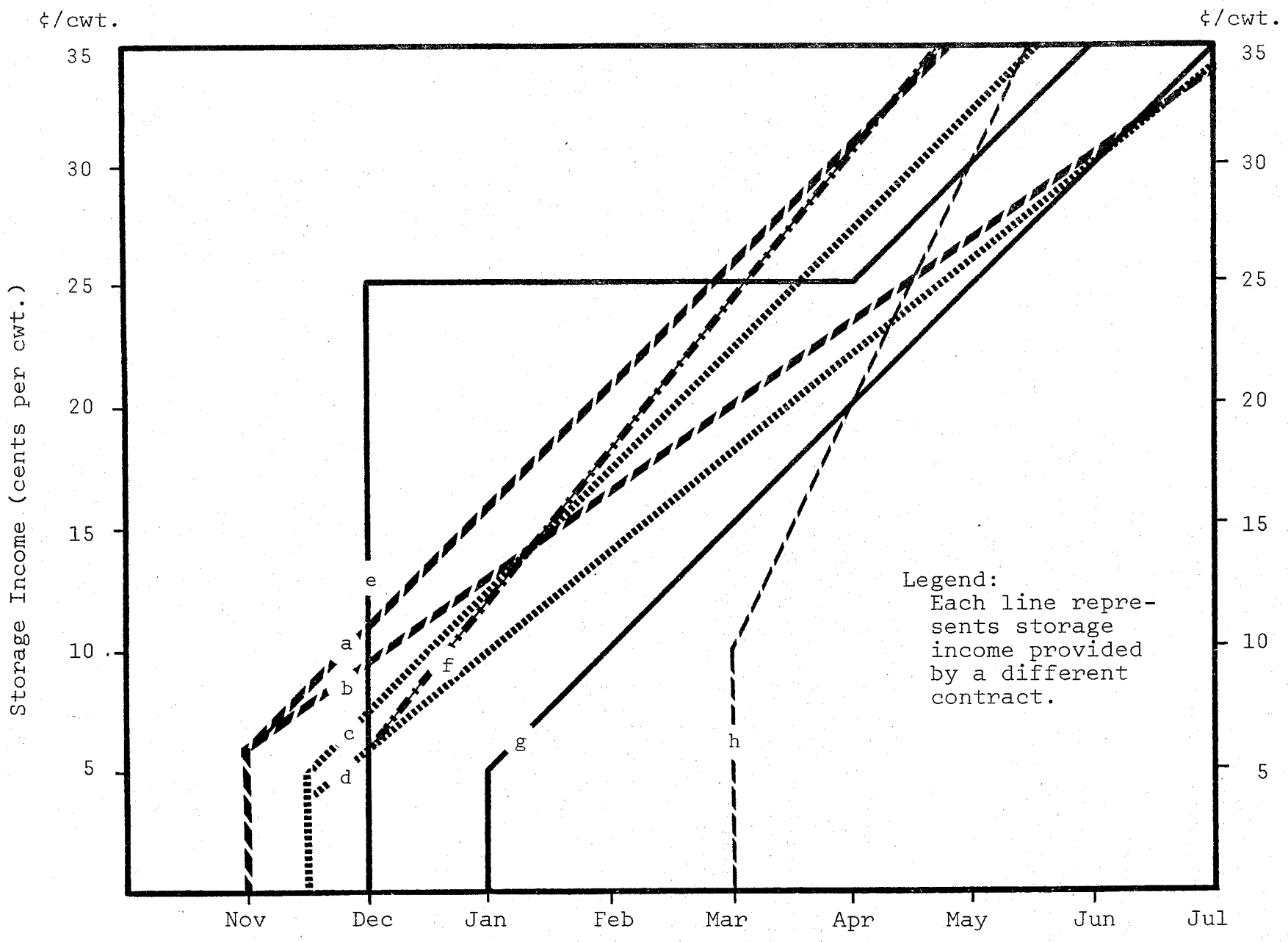


Figure 1. Storage income provided by a sample of sunflower contracts in the Northern Great Plains.

reduce debt or invest. The farmer should be paid from one-half percent to three-fourths percent interest per month on the unpaid value of his crop to compensate him for the loss of the use of his money. The ideal growers' contract would permit him to select his own payment schedule because the optimum payment schedule differs among growers and from year to year for the same grower.

Some contractors delay payment to the grower for delivered crop because of their limited operating capital. Other contractors feel that the increased goodwill is worth giving the farmer the option of full payment at delivery. Contractors, who did not specify payment provisions, typically paid at delivery. Payment provisions are important and should be included in the contracts.

Qualitative Aspects

The most confusing and difficult provisions to analyze are minimum quality, discounts, and premiums associated with quality of sunflowers. There are no regularly acceptable grades and standards. Unofficial grades have been established, but they have not proven useful, especially for non-oil sunflowers. Several processing and marketing personnel indicate that the terms used are vague and unprecise and, therefore, not appropriate for sunflowers. Growers must rely on the standards specified in the contracts because of the shortcomings of the unofficial standards.

The range in qualitative factors among the 17 contracts is given in Table 2. In addition, some contracts also specified that sunflowers must meet general Pure Food and Drug Standards. Specific standards for sunflowers have not been promulgated by the Pure Food and Drug Administration. A few contracts call for sunflowers that are "cool and sweet." Generally, contracts provide that the price of substandard sunflowers either is subject to a schedule of discounts or is to be negotiated.

Premiums

Some contracts had a scale of premiums for sunflowers when quality exceeded the minimum specified. The premiums involved one or more of test weight, seed size for non-oil types, oil content for oil types, and moisture content.

Discounts and premiums are designed to protect the contractor from being forced to accept subquality seed which has little commercial value and to reward the farmer for superior quality seeds.

TABLE 2. RANGE IN QUALITATIVE FACTORS IN SUNFLOWER CONTRACTS

Qualitative Factor	Range in Provisions
Test weight (minimum):	
oil contracts	24 to 29 lbs./bu.
non-oil contracts	22 to 25 lbs./bu.
Moisture content (maximum)	10 to 14 percent
Oil content (minimum) (oil contracts)	No provision or 40 percent
Size (minimum) (non-oil contracts)	No provision or 40 percent over 20/64 screen
Dockage and damage (maximum)	From no provision to specific discounts and/or right of refusal for damaged sunflowers (insect, heat, and dockage)
Costs of bringing seed up to standard	From no provision to specific discounts (cents/cwt. or percent of value of crop) or at farmer's expense

Disaster Clause

Several contracts excused the grower from delivery and the contractor from accepting delivery if a disaster occurred which was beyond the control of either party. The grower was excused from delivery due to adverse weather, and the contractor from accepting delivery when he lacked transportation.

Right to Inspect

Over one-third of the contracts permitted the contractor to inspect the fields. The purposes of these visits are to offer the grower suggestions for improving yield and quality and to keep the contracting firm informed on the progress of the crop. The remaining contracts did not mention contractor field visits.

Perspective

The format and provisions of sunflower contracts have been in a state of flux. Contractors' requirements have been changing, and they have been searching for a contract that appeals to growers.

Several contractors have added flexibility to their contracts to permit the grower to adjust the contract to his situation. Examples of this flexibility are more than one option in the payment schedule, storage and delivery schedules,

maximum yield subject to contract price, and the date and quantity covered by the export price. These changes have been partly self-defeating because they were more complex and caused confusion among the growers.

Several contracts were incomplete because they failed to specify delivery and payment schedules or discounts and premiums. These provisions may be understood on the basis of past performance, but to new growers the contracts are incomplete. Standard provisions which should be included specify product characteristics acceptable to the contractor and the basis of payment to the producer. Specifically, the contracts should state price, number of acres or pounds, yield covered, delivery and payment provisions, minimum quality standards, and associated discounts and premiums.

How to Analyze a Contract

There is no contract universally suited for all growers. A good contract does not take advantage of either party and yet permits both parties to maximize their profits given the alternatives available. The best contract to the grower yields him the greatest profit per acre, which is not necessarily the one with the highest price. Other provisions, such as storage income and payment provisions, may more than offset differences in price. Each grower should evaluate each contract according to his own situation, considering such factors as availability and cost of trucking and storage facilities, income tax position, distance to delivery point, and yields.

Producers can find the most profitable contract by figuring adjustments in income per acre resulting from the differences in contract provisions. Contractors could also evaluate the impact of provisions in their contracts on net profit per acre.

A suggested procedure for finding the most profitable contract is given on the following pages. It suggests calculating and comparing adjusted contract income on a per acre basis. Adjusted contract income for each contract is found by subtracting from the expected income the corresponding adjustments which reflect costs to the grower associated with key contract provisions. All figures are converted to a cwt. basis assuming a test weight of 28 pounds per bushel.

An example illustrating adjustments for typical provisions is given on pages 9 and 10. A blank worksheet is provided on the last pages (pages 14 and 15) of this publication to aid growers and others in making this comparison.

WORKSHEET TO COMPUTE ADJUSTED VALUE OF SUNFLOWER CONTRACTS
(page 1 of 2 pages)

Contract (*Example*)
(contracting firm)

I. ASSUMPTIONS AND INFORMATION NEEDED TO COMPUTE ADJUSTED CONTRACT INCOME

1. Harvest date *October*

2. Yield/acre (cwt.) *12 cwt.* 3. Test weight/bushel *28 lbs.*

4. Trucking costs per cwt. per mile *$.36 per mile or $.004 per cwt. per mile*
(gas, oil, reserve for repairs, tires, and labor or custom rate)

5. Variable storage costs per hundredweight per season *$.06*
(insurance on grain, repairs on granary, pest control, labor, and elevator operating costs). Fixed costs or custom storage rates must be included if excess storage is not available on the farm.

6. Interest rate *9 percent* 7. Expected delivery date *March 1*
(The highest of interest on debts that would be paid or expected rate of return on income if crop were paid for at harvest.)

8. Payment provisions *$6.00 at delivery and balance June 1*

9. Other

ITEM	PROVISION				ADJUSTMENTS (on a per acre basis)
II. INCOME					
1. Covered by contract price	(*$13.00*) contract price per cwt.	X	(*10 cwt.*) max. yield/acre covered by contract or est. yield, whichever is less	=	+ *$130.00*
2. Covered by market price	(*$12.00*) estimated market price per cwt.	X	(*2 cwt.*) yield in excess of that covered by contract	=	+ *24.00*
3. Total cash income/acre				=	*154.00*

WORKSHEET TO COMPUTE ADJUSTED SUNFLOWER CONTRACTS
(page 2 of 2 pages)

III. ADJUSTMENTS

1. Seed — ($.70 seed cost/lb.) X (4 1/2 pounds/acre) = -$3.15

Interest expense on seed — ($3.15 seed cost/acre) X (.09 interest) X (5/12 fraction of year outstanding) = - .12

2. Trucking — ($.004 cost/cwt./mile one way) X 2 X (7 miles to delivery point) X (12 yields/acre (cwt.)) = - .67

3. Storage
   a. Costs — ($.06 variable cost/cwt. for season) X (12 yields/acre (cwt.)) = - .72
   b. Income — ($.05 payment/cwt./month) X (4 months) X (12 yields/acre) = + 2.00

4. Interest on unpaid value of harvested crop — Payment provisions: *$6.00/cwt. ($72.00/acre) on a March 1 delivery and the balance June 1*
   a. First payment — ($154.00 amount outstanding) X (4/12 fraction of year outstanding) X (.09 interest rate) = -11.62
   b. Second payment — ($82.00 balance outstanding) X (3/12 fraction of year outstanding) X (.09 interest rate) = - 1.85

5. Other = _____

6. Net adjustments = -9.13

IV. ADJUSTED CONTRACT INCOME

1. Per acre — ($154.00 cash income per acre) - ($9.13 total adjustments) = 144.87
2. Per cwt. — ($144.87 adjusted contract income/acre) ÷ (12 cwt. estimated yield) = 12.07

I. INCOME

Total cash income from a contract depends not only on contract price, but also on (1) the maximum yield covered by the contract; (2) estimated price on yield over the maximum covered by contract; (3) differences in yield associated with specified variety; and (4) in some cases, reduced yield to obtain desired seed size.

A grower must estimate the yield based on local experience, average yields for the state, and experimental plots to evaluate a given contract. For example, contracts for oil-types should be given credit for their higher average yields. These varieties have averaged about 100 lbs./acre more than non-oil varieties during the 1967-1974 period. However, except for 1973 and 1974, the contract price has been higher for non-oil sunflowers than it has been for oil types.

Total income per acre is found by multiplying expected yield or maximum yield covered by the contract, whichever is less, by the contract price, plus expected market price times any yield greater than maximum covered by the contract. In the illustration, estimated yield is 12 cwt./acre, but the contract price of $13 covers only 10 cwt. Income per acre covered by this specific price is $130. Assuming a market price of $12/cwt. for the remaining 2 cwt., total cash income per acre would be $154.

II. ADJUSTMENTS

1. Seed: Contracts sometimes specify the seeding rate (usually 4½ lbs./acre) and that the seed must be obtained from the contractor at a specified price. During the 1975 season, it was expected that prices would range from $.45 to $.85 per pound for open pollinated varieties and from $1.75 to $2.00 for hybrids. The seed charge may be as high as $9.00 per acre. A carrying charge on seed not paid for at planting time was required by one 1973 contract. In the example, total seed cost is equal to $3.15 for seed and $.12 for interest or $3.27. No interest charge should be made for the several cases in which the contractor carries seed cost until harvest.

2. Trucking: In most cases the delivery points for contracts are sufficiently different to justify adjusting for transportation costs. The contract with the closest delivery point has an advantage over one with a more distant delivery point. The minimum charge should be the out-of-pocket or variable trucking costs, such as gas, oil, tires, repair charge, and labor if applicable. Assuming that these costs amount to $.36 per mile (a $.10 per mile labor charge is included) for a truck with a 300-bushel capacity, trucking costs would be $.004/cwt. per mile. (A test weight of 28 lbs./bu. or 22.5 lbs./cubic foot was used in this computation.) Figure the

trucking costs by: (costs per cwt. per mile) X (2--this is for round trip) X (distance from field to delivery point). In the example, variable trucking costs for a 7-mile delivery point are equal to $.67 per acre. Custom hauling rates are about 6 or 7 cents per bushel plus ½ cent per bushel per mile beyond 10 miles. This is about $.22/cwt. plus $.017/cwt. per mile. Some contractors pay the grower for delivery to a central processing point. Credit should be given contracts with this provision in the same way as storage payments in the following example.

3. Storage: Contracts which require the grower to store sunflowers or which give him that option should be charged with the costs of storage and given credit for storage payments provided by the contractor. The grower is reimbursed under a variety of schedules (Figure 1, p. 5). In the example, it is assumed that the farmer is paid 5 cents/cwt. for four months. The storage payment would add to the value of the contract for growers with available storage. In any case, the additional cost of storing the crop should be charged against the contract and the income would be a credit. Already available storage typically has a variable or direct cost of about 6 cents/cwt. for each time storage space is rotated. Fixed costs of depreciation, interest, insurance, and unloading elevators must also be charged if additional storage must be built to satisfy storage requirements. Annual fixed storage costs (depreciation, interest, insurance, and unloading elevators) for storage constructed in 1975 would be about 5 cents/bu. or $.167/cwt. of sunflowers, depending on utilization and type of granary constructed. The example on page 10 assumes that the farmer has excess storage, so that only a variable charge of $.06/cwt. is made. Contracts specifying delivery at harvest have no storage charge, but the convenience of storing on the farm at harvesttime may be critical.

4. Interest on unpaid value of harvested crop: A charge should be made against those contracts which do not pay cash at harvest. This charge is to compensate the grower for the temporary loss of the use of this money. The interest rate charged should depend on what the grower would do with the money if he were paid at harvesttime. If it could be used to retire a 9 percent operating loan, then 9 percent is appropriate. Or, if the crop income would be placed in a savings account at 5 percent, then 5 percent should be used. The interest charge should be figured on the unpaid value of the crop for the period of time it is outstanding. In the example on page 10, the contractor's estimated obligation to the grower is $154.00. The first payment on March 1 is $6.00/cwt. or $72.00/acre. Therefore, $154.00 is outstanding for four months (harvesttime to March 1). The interest charge for this period is $154.00 times 9 percent interest times 4/12 of a year or $4.62. The remaining value

of the crop or $82.00 ($154.00 minus $72.00) is outstanding until the final payment on June 1 or 3 months. The interest charge for the latter period is $82.00 times 9 percent times 3/12 of a year or $1.85. Total interest rate charge for temporary loss of the use of crop income in this example is $6.47 per acre. In some cases income tax consideration may make it preferable to receive payment after the first of the year, overriding any interest considerations.

5. Other: Contracts should also be examined and compared on the basis of the following provisions:

A. Minimum quality standard or contract grade.
   1. Moisture.
   2. Test weight.
   3. Heat damage.
   4. Seed size (non-oil varieties).
      These provisions should become more uniform as grading and quality standards become more widely accepted.

B. Discounts on substandard sunflowers.
C. Premiums on superior quality sunflowers.
D. Premiums based on improved soybean oil prices (oil varieties only).
E. Total acreage restrictions per grower.

In some cases, a grower may be able to estimate a premium to add to the value of a contract or other discounts to subtract from its value. If so, these values can be recorded in the worksheet under Item III-5.

6. Total adjustments: When calculating total adjustments, be sure to subtract negative adjustments when appropriate. In the example, negative adjustments are $11.13; income from storage is $2.00; therefore, net adjustment is a minus $9.13 per acre.

III. ADJUSTED CONTRACT INCOME

Direct comparison of the contracts can be made after subtracting net adjustments in Section II from total income in Section I for each contract. Comparisons of contracts must be tempered by the qualitative aspects of each contract. A grower must use cost and yield figures which reflect his operation for comparisons to be valid.

A worksheet is provided on pages 14 and 15. A more simplified worksheet, such as the one on page 16, could be prepared for a particular situation to facilitate comparisons of contracts.

WORKSHEET TO COMPUTE ADJUSTED VALUE OF SUNFLOWER CONTRACTS
(page 1 of 2 pages)

Contract (_____)
(contracting firm)

I. ASSUMPTIONS AND INFORMATION NEEDED TO COMPUTE ADJUSTED CONTRACT INCOME

1. Harvest date _____

2. Yield/acre (cwt.) _____ 3. Test weight/bushel _____

4. Trucking costs per cwt. per mile _____
(gas, oil, reserve for repairs, tires, and labor or custom rate)

5. Variable storage costs per hundredweight per season _____
(insurance on grain, repairs on granary, pest control, labor, and elevator operating costs). Fixed costs or custom storage rates must be included if excess storage is not available on the farm.

6. Interest rate _____ 7. Expected delivery date _____
(The highest of interest on debts that would be paid or expected rate of return on income if crop were paid for at harvest.)

8. Payment provisions

9. Other

ITEM	PROVISION			ADJUSTMENTS (on a per acre basis)
II. INCOME				
1. Covered by contract price	(_____) contract price per cwt.	X (_____) max. yield/acre covered by contract or est. yield, whichever is less	=	+ _____
2. Covered by market price	(_____) estimated market price per cwt.	X (_____) yield in excess of that covered by contract	=	+ _____
3. Total cash income/acre			=	

WORKSHEET TO COMPUTE ADJUSTED SUNFLOWER CONTRACTS
(page 2 of 2 pages)

III. ADJUSTMENTS

1. Seed — (seed cost/lb.) X (pounds/acre) = -

Interest expense on seed — (seed cost/acre) X (interest) X (fraction of year outstanding) = -

2. Trucking — (cost/cwt./mile one way) X 2 X (miles to delivery point) X (yields/acre (cwt.)) = -

3. Storage
a. Costs — (variable cost/cwt. for season) X (yields/acre (cwt.)) = -

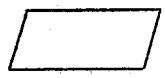
b. Income — (payment/cwt./month) X (months) X (yields/acre) = +

4. Interest on unpaid value of harvested crop — Payment provisions:

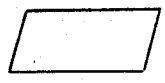
a. First payment — (amount outstanding) X (fraction of year outstanding) X (interest rate) = -

b. Second payment — (balance outstanding) X (fraction of year outstanding) X (interest rate) = -

5. Other = _____

6. Net adjustments = 

IV. ADJUSTED CONTRACT INCOME

1. Per acre — (cash income per acre) - (total adjustments) = 

2. Per cwt. — (adjusted contract income/acre) ÷ (estimated yield) = 

COMPUTATION OF ADJUSTED VALUE OF SUNFLOWER CONTRACTS ON A PER ACRE BASIS

Item	Contract					
	Provision	Adjustment	Provision	Adjustment	Provision	Adjustment
I. Assumptions						
II. Income						
1. Contract Price						
2. Market Price						
3. Total						
III. Adjustments						
1. Seed						
2. Transportation						
3. Storage						
a. Costs						
b. Income						
4. Interest						
a. 1st Payment						
b. 2nd Payment						
5. Other						
6. Net Adjustments						
IV. Adjusted Contract Income						
1. Per Acre						
2. Per Cwt.						