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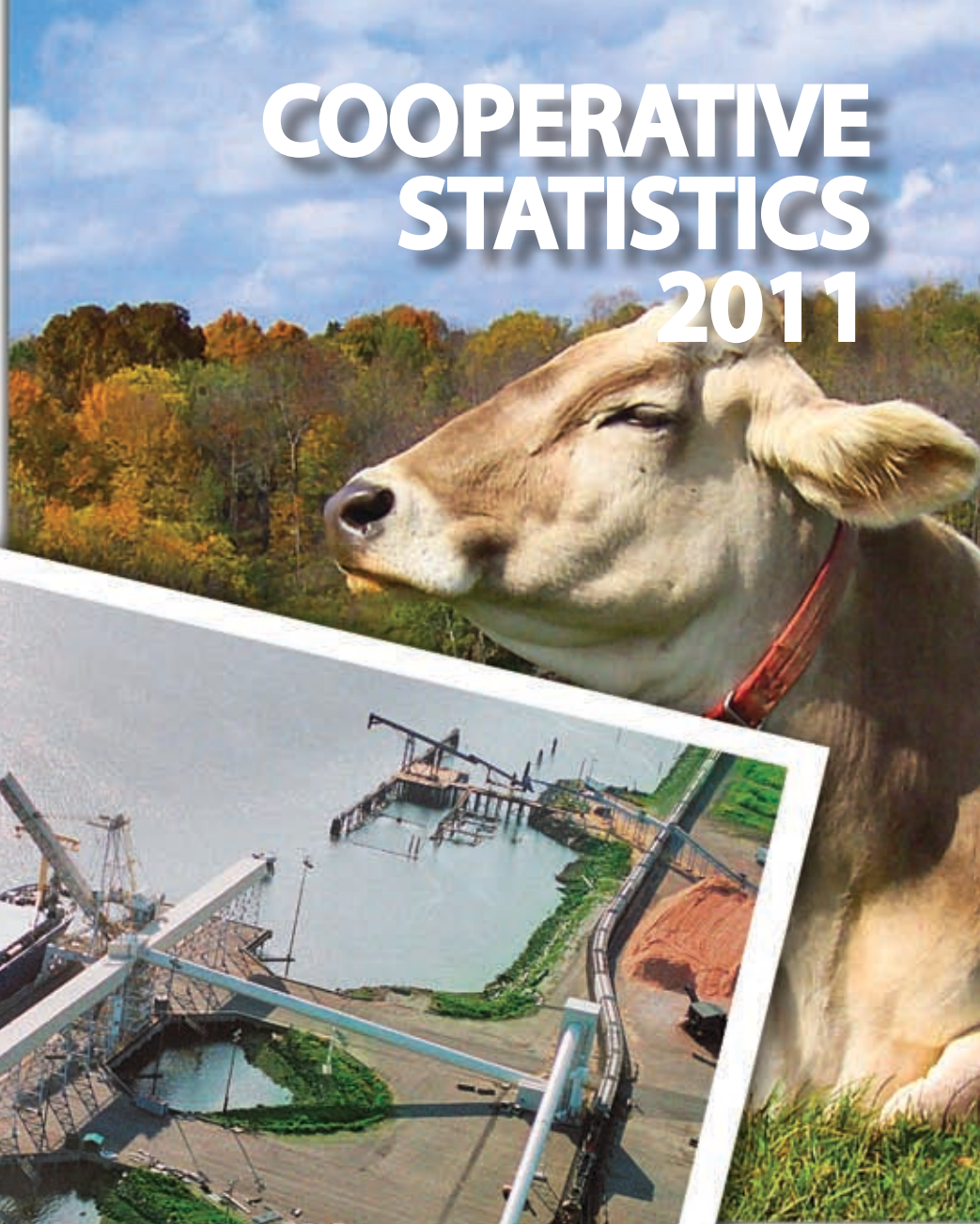
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COOPERATIVE STATISTICS 2011



United States
Department of
Agriculture



Service Report 72

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ABSTRACT

A survey of 2,285 U.S. farmer, rancher, and fishery cooperatives ending their business year during calendar year 2011 showed a record business volume, net income, and total assets. Gross business volume was \$213.5 billion while net business volume was \$183.6 billion, and net income totaled slightly more than \$5 billion. These cooperatives had more than \$78 billion in assets, \$50 billion of liabilities, and \$28 billion in equity. Cooperatives were a major employer in rural areas, with 131,000 full-time workers and 53,000 part-time or seasonal employ-

ees. Business volume by commodity is reported for all cooperatives. Number of cooperatives, cooperative memberships, and number of employees are classified according to whether the business is a marketing, supply or service cooperative. Trends in cooperative numbers, memberships, employees, business size, sales volume, net income, assets, liabilities, and net worth are reported.

Keywords: cooperatives, statistics, business volume, employees, memberships, balance sheet, income statement, financial ratios.

COOPERATIVE STATISTICS, 2011

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PREFACE

Cooperative statistics are collected annually to provide information on the progress and trends among the Nation's farmer, rancher, and fishery cooperatives. These statistics are used for research, technical assistance, education, planning, and public policy. The collection, analysis, and dissemination of cooperative statistics by the United States Department of Agriculture (USDA) are authorized by the Cooperative Marketing Act of 1926.

This report provides aggregate information on the number, membership, business volume, net income, basic balance sheet items, and full-time and part-time and seasonal employees of cooperatives for business years ending in calendar year 2011. Cooperatives are classified by principal product marketed and major function. Both gross (includes inter-cooperative business) and net (excludes inter-cooperative business) dollar volumes are reported.

Statistics for 2011 were compiled on a State and National basis. The information was collected by a

mail survey of all organizations identified by USDA Rural Development's Cooperative Programs (CP) as farmer, rancher or fishery cooperatives. Information was requested for the 2011 business year.

USDA's CP conducts an annual census to gain accurate information for assistance purposes. Information obtained from individual cooperatives is combined with data from other cooperatives to maintain confidentiality.

Statistics for all cooperatives were derived by estimating data for non-respondents and combining this information with respondent data. Data from respondents and other sources accounted for 91 percent of the total gross sales of farmer, rancher, and fishery cooperatives in 2011.

USDA depends on the response to its annual survey to develop a detailed and comprehensive set of statistics on cooperatives. The time and effort taken to provide information and the timeliness with which it is furnished are greatly appreciated.

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HIGHLIGHTS

There are 2,285 U.S. farmer, rancher, and fishery cooperatives, according to the 2011 survey of marketing, supply, and service cooperatives by USDA Rural Development's Cooperative Programs. This was the highest sales and income year for these cooperatives, surpassing the previous records set in 2008. The year saw double-digit increases in prices for dairy products, cotton, livestock, and grains and oilseeds. Farm production expenses also had double-digit increases with feed, fertilizer, and fuel prices leading the upward trend.

- ◆ Total gross business volume (includes inter-cooperative business) handled by cooperatives was \$213.4 billion; net business (excludes inter-cooperative business) was \$183.6 billion.
- ◆ Total net income was \$5.4 billion, which includes inter-cooperative dividends and refunds of \$612.7 million.
- ◆ Cooperative memberships were 2.3 million, up 41,000 from 2010.
- ◆ Cooperatives employed 131,000 full-time and 53,000 part-time and seasonal employees. Full-time employee numbers were up 1,800 from 2010, while part-time and seasonal employee numbers were down by 1,600.
- ◆ Gross value of products marketed by cooperatives was \$128 billion, with a net value (after eliminating duplication from inter-cooperative business) of \$122 billion. Both gross and net marketings were up over 20 percent from 2010. All products except bean and peas had increased sales. Grain and oilseed marketings were up almost \$14 billion while dairy product marketings increased more than \$6 billion.
- ◆ Gross value of supplies handled by cooperatives was \$81 billion, with a net value of \$57 billion. Gross supply sales were up \$17 billion primarily due to increasing energy prices, with gains of more than \$6 billion for petroleum products. Fertilizer, feed, and crop protectants also had increases of at least \$1 billion.
- ◆ Receipts for services related to marketing farm products and supplies, plus other income, totaled \$4.5 billion, down \$500 million from 2010.
- ◆ Cooperatives had \$78 billion in combined assets, exceeding the second highest, \$70 billion, in 2008. Total assets were \$13 billion more than 2010 with most of the increase (\$12 billion) in current assets. Net assets, after eliminating inter-cooperative investments, were \$74 billion. Inter-cooperative investments included those in CoBank.
- ◆ Total liabilities increased \$11 billion, to \$50 billion.
- ◆ Net worth, or member and patron equity, was \$28 billion. Member and patron equity financed 36 percent of total assets, down from 40 percent in 2010.

Table A—Comparison of 2011 and 2010 Cooperative Statistics

	2011	2010	Change
Number of cooperatives	2,285	2,314	-29
Memberships (millions)	2.3	2.2	0.04
Gross business volume (billion \$)	213.4	171.8	41.59
Net business volume (billion \$)	183.6	147.8	35.75
Net income before taxes (billion \$)	5.4	4.3	1.14
Total assets (billion \$)	78.5	65.0	13.45
Net worth (billion \$)	27.9	26.0	1.92
Full-time employees (thousand)	130.9	129.0	1.84
Part-time and seasonal employees (thousand)	52.8	54.4	-1.60

Cooperative Statistics, 2011

Sarah Ali, Jacqueline E. Penn and E. Eldon Eversull

I. COOPERATIVE DEFINITION

USDA Rural Development's Cooperative Programs considers four major criteria in identifying farmer, rancher, and fishery cooperatives:

- (1) Membership is limited to persons producing agricultural and aquacultural products, and to associations of such producers;
- (2) Cooperative members are limited to one vote regardless of the amount of stock or membership capital owned; or the cooperative does not pay dividends on stock or membership capital in excess of 8 percent a year or the legal rate in the State, whichever is higher;
- (3) Business conducted with non-members may not exceed the value of business conducted with members;
- (4) The cooperative operates for the mutual interest of members by providing member benefits on the basis of patronage.

These criteria may result in larger or smaller numbers of farmer, rancher, and fishery cooperatives than found in lists or directories of State agencies or cooperative councils. Year-to-year comparisons with specific commodity groups reflect any differences in lists and classifications in State and Federal data.

Classification of Cooperatives

CP classifies each cooperative under one of the following major functions: marketing, supply or service. For example: fertilizer cooperatives are classified as supply cooperatives; wool pools are classified as marketing cooperatives; and transportation cooperatives are classified as service cooperatives.

Marketing cooperatives derive most of their total dollar volume from the sale of members' products. These cooperatives are further classified into 1 of 13

commodities or commodity groups, depending upon which accounts for most of its business volume. CP may reclassify a cooperative into a different commodity category if its primary business volume changes significantly.

Supply cooperatives derive most of their business volume from the sale of production supplies, machinery and equipment, and building materials. Many also handle farm, ranch, and home items, such as heating oil, lawn and garden supplies, and equipment, and food.

Service cooperatives provide specialized services related to the business operations of farmers, ranchers, or cooperatives, such as trucking, storing or drying.

Many cooperatives handle multiple commodities and provide marketing and supply services, as well as the facilities and equipment used to perform these services. These associations are classified according to the predominant commodity or function, as indicated by business volume.

Prior year data has been revised in this report. Some revisions correct errors; others are due to new information. For instance, 89 cooperatives that had not responded in 2010 included with their 2011 surveys annual reports that also had 2010 information.

Organizational Membership Structures

CP further classifies marketing, supply, and service cooperatives into three organizational structures according to membership. The membership structures used are centralized, federated, and mixed.

Centralized Cooperatives

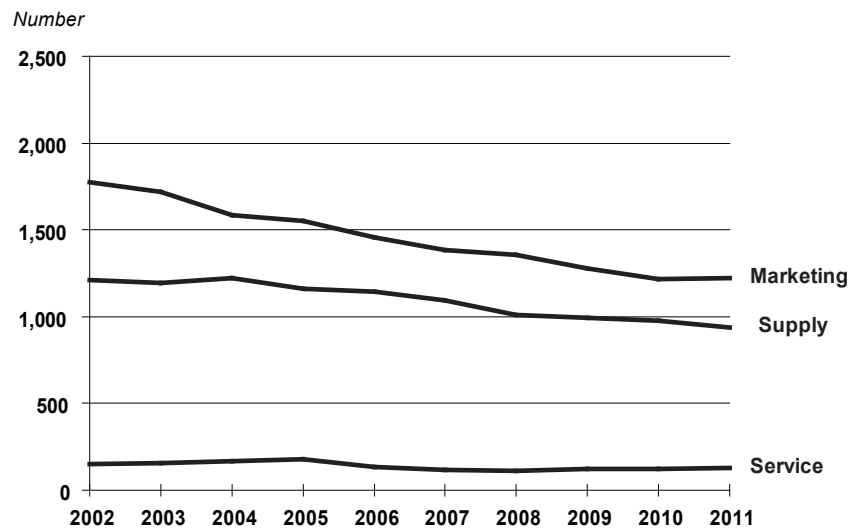
Of the 2,285 cooperatives in 2011, 2,059 were centralized organizations, mostly local cooperatives with individual farmer, rancher or fishery members. Centralized cooperatives usually serve a local area or community, county or several counties. Most usually perform a limited number of initial marketing functions. Most supply sales are at the retail level. A few centralized cooperatives, principally regionals, operate over multi-State areas, and provide

more vertically integrated services, such as processing products or manufacturing feed.

Bargaining associations also have centralized organizational structures. They derive all or most of their business volume from negotiating with distributors, processors, and other buyers and sellers over price, quantity, grade, terms of sale, and other factors involved in marketing products. Only a few bargain to purchase supplies. While the primary function of such an association is to bring buyers and sellers together to contract for the sale of members' products, many bargaining associations now perform additional functions.

For example, dairy bargaining associations at one time only negotiated price. Now, many perform additional functions, such as physically handling part of the milk for spot sales. Like other dairy marketing cooperatives, these cooperatives represent their members at Federal or State milk marketing order hearings.

Figure 1—Cooperatives in the United States, 2002-2011



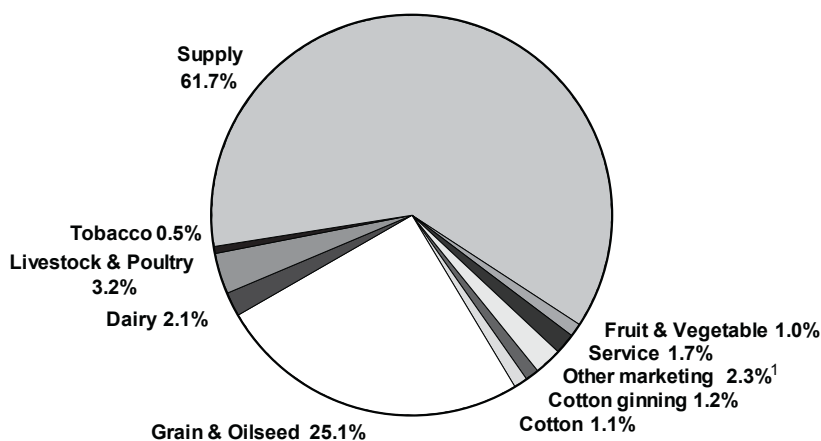
Federated Cooperatives

The 38 federated cooperatives—two or more member associations organized to market products, purchase production supplies or perform bargaining functions—often operate at points quite distant from their headquarters. Members are usually local cooperatives, although some are interregional associations with regional cooperative members.

Mixed Cooperatives

The 17 mixed cooperatives have individual farmer, rancher or fishery members, and autonomous cooperative members. These cooperatives use a combination of centralized and federated structures. They serve large geographic areas, with members in many States, and provide a variety of integrated services.

Figure 2—Distribution of Memberships, by Type of Cooperative, 2011



Percentages are based on 2.3 million total memberships.

¹Includes dry bean and pea, wool and mohair, rice, sugar, fishery, and other product marketing cooperatives

II. 2011 STATISTICS

Cooperatives' total gross business volume for 2011 was \$183.6 billion; net business volume was \$147.8 billion, while net income was \$5.4 billion. This was the highest sales volume and income for these cooperatives, exceeding records set in 2008. All products

Table 1—Number of cooperatives and memberships, by major business activity, 2011

Major business activity	Cooperatives <i>Number</i>	Memberships <i>Thousands</i>
Bean and pea (dry edible)	5	1.8
Cotton	12	25.4
Cotton ginning	154	26.7
Dairy	132	48.5
Fish	38	5.4
Fruit and vegetable	145	22.1
Grain and oilseed ¹	521	573.6
Livestock	64	73.7
Nut	18	9.7
Poultry ²	10	0.5
Rice	12	10.9
Sugar ³	26	8.7
Tobacco	6	11.9
Wool and mohair	53	9.6
Other marketing ⁴	26	6.5
Total marketing	1,222	834.9
Artificial insemination	13	51.1
Total supplies	935	1,406.6
Other services ⁵	105	38.3
Rice dryers	4	0.3
Storage	6	0.1
Transportation	13	0.4
Total service	128	39.1
Total	2,285	2,280.5

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Cooperatives primarily handling forest products, hay, hops, seed marketed for growers, nursery stock, bioenergy, coffee, and other farm products not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

⁵ Cooperatives primarily providing grading, testing, auctions, hulling, seed development, crop scouting, farmer markets, and other services.

marketed, except dry edible beans and peas, had sales increases, leading to a 24-percent gain in sales over 2010. Marketing sales increases were led by grain and oilseed cooperatives, with a \$13.7-billion sales gain, followed by dairy products with a \$6.5-billion gain. Supply sales grew by 27 percent over 2010, with petroleum products leading the gain with

an increase of \$6 billion. Fertilizer sales grew more than \$3 billion; feed, \$2 billion; and crop protectants, \$1 billion.

In 2011, agricultural cooperatives had 2.3 million members with record \$78 billion in assets and \$28 billion in equity. Cooperatives remained a major employer in rural areas, using 131,000 full-time workers.

Number of Cooperatives

The 2011 survey counted 2,285 marketing, supply, and service¹ cooperatives, compared with 2,314 in 2010. Of the 2,285 cooperatives, 1,222 primarily marketed products, 935 primarily handled production supplies, and 128 provided services related to marketing or purchasing activities (table 1, appendix figure 1).

The proportion of marketing, supply, and service cooperatives to the total number of cooperatives remained virtually unchanged from 2010. About 53 percent of cooperatives are marketing cooperatives, 41 percent are supply cooperatives, and 6 percent are service cooperatives (figure 1 and appendix table 1).

There was a net decrease of 29 associations (3 percent) from 2010 to 2011, largely reflecting a continuing trend involving merger, acquisition or dissolution. The largest decrease was 39 farm supply cooperatives, while grain and oilseed and fruit and vegetable cooperatives both grew by 7.

Cooperatives are added to the list every year, usually based on press releases from the cooperative or news items, but this probably leads to under-counting. Some cooperatives had been dropped from the list earlier but were added back when we were informed that they were still in operation. Most drops occur when two or more cooperatives merge their operations. It is much easier to drop a cooperative from the list than to add one, because undelivered mail is usually returned. If a new address is not found, the cooperative is dropped.

¹ *Services include trucking, storage, crop drying, livestock shipping, and similar services affecting the form, quality, or location of products and supplies. They do not include credit, electric, telephone, or other such services not directly related to marketing or supply activities.*

Table 2—Number of cooperatives, by major function and State, 2011

Function	Marketing	Supply & service	Total
<i>State</i>		<i>Number</i>	
Alabama	9	42	51
Arizona	8	0	8
Arkansas	11	25	36
California	81	39	120
Colorado	11	18	29
Florida	21	12	33
Georgia	6	7	13
Hawaii	7	7	14
Idaho	18	9	27
Illinois	75	43	118
Indiana	10	24	34
Iowa	66	31	97
Kansas	65	26	91
Kentucky	7	29	36
Louisiana	10	23	33
Maryland	4	11	15
Massachusetts	3	5	8
Michigan	24	21	45
Minnesota	102	101	203
Mississippi	22	34	56
Missouri	18	41	59
Montana	18	26	44
Nebraska	36	20	56
New York	43	12	55
North Carolina	8	5	13
North Dakota	81	78	159
Ohio	28	13	41
Oklahoma	33	23	56
Oregon	19	14	33
Pennsylvania	24	15	39
South Dakota	38	35	73
Tennessee	4	60	64
Texas	144	43	187
Utah	5	7	12
Virginia	17	40	57
Washington	33	25	58
West Virginia	13	10	23
Wisconsin	46	69	115
Wyoming	5	6	11
Other States ¹	49	14	63
United States	1,222	1,063	2,285

¹ Includes States with fewer than three cooperatives for any function. States with at least three cooperatives were: Alaska, 5; Connecticut, 5; Delaware, 3; Maine, 22; Maryland, 15; New Jersey, 11; New Mexico, 8; South Carolina, 3; and Vermont, 3.

Cooperative numbers based on function (marketing, supply or service) and State are shown in table 2. Texas had the most marketing cooperatives with 144 while Minnesota was second with 102. Minnesota had the most supply and service cooperatives with 101, followed by North Dakota with 78.

Many cooperatives operate branches to better serve their members. Most branches are owned by the cooperative, but some are leased. A number of the branches are formerly independent cooperatives that served a local community. For economic or other reasons, many were acquired by or merged with other cooperatives and are operated as branches that serve members and patrons at outlying locations.

Grain and oilseed and supply cooperatives operated over 5,100 branches—2,160 and 2,969, respectively. Both grain and oilseed and supply cooperatives averaged about 3.5 branches per cooperative.

Memberships

Memberships in marketing, supply, and service cooperatives were an estimated 2.3 million in 2011, up 41,000 from 2010 (table 3). There were increases in membership in 2010 and 2004, but this is by far the largest increase. About 62 percent of the memberships were in supply cooperatives while 25 percent of the memberships were in grain and oilseed cooperatives (appendix table 2, figure 2). Dairy cooperative memberships were only 2 percent of the total, but accounted for 21 percent, or \$39 billion, of cooperatives' net business volume in 2011.

Memberships in cooperatives dropped from 2.8 million in 2002 to 2.3 million in 2011 (figure 3). The long term decline largely reflects the decreasing number of farms, farmers, and ranchers in the United States (appendix figure 2). Many farmers and ranchers are members of more than one cooperative, and each membership is counted. Consequently, the number of memberships has long exceeded the number of farms, but now they are almost equal. Duplication in membership cannot be eliminated with current reporting methods.

Member classification depends on the type of cooperative used, and may not be related to the member's product(s) marketed or supplies purchased. For example, a member may market only one of the products handled by the cooperative; another may

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number Thousands		\$Millions			Number Thousands		\$Millions	
BEAN AND PEA, DRY EDIBLE					FISH				
United States	5	1.8	154.23	150.85	Maine	15	0.7	0.90	0.90
					Other States	23	4.8	250.43	250.43
					United States	38	5.4	251.33	251.33
COTTON⁶					FRUIT AND VEGETABLE				
Texas	4	12.7	1,514.94	1,514.94	Arizona	3	0.8	78.19	39.40
Other States	8	12.7	1,998.60	1,994.65	California	34	11.9	2,794.57	2,073.07
United States	12	25.4	3,513.54	3,509.59	Florida	12	9.7	846.01	254.92
COTTON GINNING⁶					Hawaii	4	0.2	7.85	7.85
Alabama	3	0.1	4.65	4.65	Michigan	11	1.1	805.86	720.02
Arizona	4	0.2	23.36	23.36	Minnesota	4	0.3	0.64	0.64
Arkansas	3	1.8	31.16	15.12	New Jersey	4	0.3	202.38	117.98
California	14	0.6	59.32	37.94	New York	8	1.0	74.90	74.78
Louisiana	3	0.2	15.62	7.99	Oregon	10	0.9	485.86	465.54
Mississippi	12	0.3	73.24	71.27	Pennsylvania	4	0.3	421.83	421.83
Oklahoma	10	5.9	14.42	14.05	Texas	4	0.1	96.40	84.46
Texas	100	17.3	339.78	267.55	Washington	10	2.7	784.41	769.46
Other States	5	0.5	24.10	19.31	Other States	37	3.4	958.50	419.98
United States	154	26.9	585.63	461.24	Foreign ⁷	0	0.1	234.45	112.04
					United States	145	32.9	7,791.86	5,561.96
DAIRY					GRAIN AND OILSEED⁸				
California	3	1.0	5,046.86	4,974.36	Colorado	6	4.3	292.31	292.31
Idaho	3	0.2	421.67	421.67	Idaho	3	1.8	81.28	81.28
Illinois	3	2.3	1,811.06	1,810.19	Illinois	70	197.9	5,295.43	5,295.43
Iowa	4	2.3	1,691.16	1,621.54	Indiana	6	3.6	777.93	777.93
Minnesota	23	6.0	3,625.65	3,536.82	Iowa	56	67.4	9,142.72	9,007.53
New Mexico	4	0.1	727.93	726.70	Kansas	65	71.5	3,020.63	3,014.90
New York	30	3.5	2,612.83	2,143.40	Minnesota	59	32.4	6,969.92	6,944.27
Pennsylvania	11	2.4	1,554.57	1,376.33	Mississippi	3	3.7	300.88	298.18
Wisconsin	22	13.8	5,436.93	5,171.76	Missouri	12	12.8	1,441.30	891.92
Other States	29	20.9	17,683.22	17,217.00	Montana	4	0.9	519.36	519.36
Foreign ⁷	0	0.0	143.31	140.50					
United States	132	52.5	40,755.19	39,140.26					

Continued next page

¹ Includes centralized and federated cooperatives and those with mixed organizational structures. Headquartered in the State listed.

² Includes voting farmer-members, but not nonvoting patrons. (Duplication in these membership figures occurs because many farmers belong to more than one cooperative.) Memberships include members of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

³ Data covering operations of cooperatives for fiscal years ended in 2011. States listed are those with more than two cooperatives or where disclosure was not a problem.

⁴ Gross business volume includes sales between cooperatives.

Gross sales include sales of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

⁵ Net business volume excludes sales between cooperatives. Net sales include sales of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

⁶ Cottonseed sales of meal are included in feed sales, whereas oil sales are included in other marketing sales.

⁷ Includes memberships, marketing, and sales in other countries.

⁸ Excludes oilseed meal and oil. Oilseed meal is included in feed sales, whereas oil sales are included in other marketing sales.

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number	Thousands	\$Millions			Number	Thousands	\$Millions	
GRAIN AND OILSEED (cont.)					SUGAR (cont.)				
Nebraska	32	56.8	4,865.42	4,860.29	Minnesota	3	2.5	2,114.86	2,106.94
North Dakota	65	26.7	3,566.89	3,566.89	Wyoming	3	0.6	20.86	20.86
Ohio	22	23.5	2,309.78	2,309.78	Other States	12	5.0	2,550.15	2,456.62
Oklahoma	20	14.4	305.18	305.18	Foreign ⁷	0	0.1	3.06	3.06
South Dakota	38	24.8	2,891.87	2,891.87	United States	26	9.4	5,697.24	4,736.76
Texas	25	9.5	916.88	916.88					
Washington	14	7.7	1,079.21	1,079.21	TOBACCO				
Other States	21	17.3	3,009.70	2,984.98	Tennessee	3	10.8	3.82	3.82
Foreign ⁷	0	0.0	7,884.70	7,884.70	Other States	3	1.1	247.06	247.06
United States	521	577.2	54,671.40	53,922.89	United States	6	11.9	250.88	250.88
LIVESTOCK					OTHER MARKETING¹¹				
North Dakota	6	0.6	23.25	22.91	Florida	3	0.0	34.42	34.42
West Virginia	4	0.2	1.95	1.95	Minnesota	9	4.7	1,893.69	1,843.75
Wisconsin	14	45.2	480.76	480.76	Other States	67	11.3	4,334.38	3,980.54
Other States	40	27.7	3,857.70	3,725.79	United States	79	16.1	6,262.48	5,858.72
United States	64	73.7	4,363.67	4,231.42					
NUT					TOTAL MARKETING				
California	10	4.4	833.49	830.86	Alabama	9	2.7	376.91	376.91
Other States	8	5.7	76.16	76.16	Alaska	5	3.0	12.64	12.64
Foreign ⁷	0	0.1	0.00	0.00	Arizona	8	1.4	1,072.24	991.87
United States	18	10.2	909.65	907.02	Arkansas	11	12.7	1,843.43	1,782.12
POULTRY⁹					California	81	21.0	9,795.27	8,977.25
California	3	0.1	367.97	367.97	Colorado	11	6.2	833.48	833.48
Other States	7	0.4	934.08	934.08	Florida	21	10.3	1,995.61	1,401.46
United States	10	0.5	1,302.05	1,302.05	Georgia	6	2.4	614.81	579.48
RICE					Hawaii	7	0.5	8.95	8.95
California	3	0.9	324.24	324.24	Idaho	18	4.9	1,420.53	631.13
Texas	4	0.5	51.16	51.16	Illinois	75	202.0	7,438.85	7,437.64
Other States	5	9.5	1,160.94	1,160.94	Indiana	10	6.8	1,850.91	1,822.14
United States	12	10.9	1,536.34	1,536.34	Iowa	66	72.8	12,193.80	11,960.51
SUGAR¹⁰					Kansas	65	73.6	4,145.48	4,130.74
Idaho	5	0.6	795.91	6.51	Kentucky	7	5.5	632.28	623.24
Louisiana	3	0.6	212.40	142.76	Louisiana	10	4.5	730.12	644.56
					Maine	20	1.6	146.24	145.72
					Massachusetts	3	0.4	443.41	226.71
					Michigan	24	9.6	3,189.97	3,040.91
					Minnesota	102	47.2	14,914.85	14,736.68
					Mississippi	22	8.0	847.76	840.64
					Missouri	18	19.7	5,669.40	5,108.40
					Montana	18	1.8	662.12	660.19
					Nebraska	36	59.8	6,637.40	6,620.02
					New Jersey	9	1.5	288.54	186.18
					New Mexico	7	0.7	758.50	757.28
					New York	43	4.8	2,966.62	2,402.97
					North Carolina	8	2.9	740.76	704.31
					North Dakota	81	30.3	4,867.82	4,854.43
					Ohio	28	27.6	3,206.01	3,169.73

⁹ Includes eggs, turkeys, ratite, squab, and related products.

¹⁰ Includes sugar, sugarcane, sugar beets, honey, maple syrup, molasses, and sorghum.

¹¹ Includes forest products, hay, hops, seed marketed for growers, nursery stock, biofuels, coffee, wool and mohair, and other marketings not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number Thousands		\$Millions			Number Thousands		\$Millions	
TOTAL MARKETING (cont.)					CROP PROTECTANTS (cont.)				
Oklahoma	33	24.8	846.12	840.24	Ohio			235.88	164.85
Oregon	19	7.0	2,261.34	2,179.10	Oklahoma			49.43	32.75
Pennsylvania	24	3.6	1,983.02	1,804.78	Oregon			389.77	232.95
South Dakota	38	26.2	3,553.67	3,536.10	Pennsylvania			140.52	98.41
Tennessee	4	12.7	185.58	137.79	South Dakota			500.91	301.90
Texas	144	43.9	5,508.01	5,322.89	Tennessee			163.85	93.55
Utah	5	2.7	217.55	192.22	Texas			100.23	66.59
Vermont	3	1.2	585.83	585.83	Utah			15.17	12.42
Virginia	17	3.6	576.87	519.57	Virginia			34.84	29.32
Washington	33	11.6	3,693.41	3,667.29	Washington			514.82	337.13
West Virginia	13	1.0	19.09	16.77	West Virginia			2.25	2.01
Wisconsin	46	65.2	7,710.98	7,031.71	Wisconsin			471.11	262.32
Wyoming	5	1.0	94.69	94.34	Wyoming			2.80	1.89
Other States	9	3.5	1,117.83	1,019.69	Other States			107.06	75.09
Foreign ⁷	0	0.4	9,423.71	9,204.60	United States			9,606.04	6,494.30
United States	1,222	854.7	128,082.40	121,821.21					
SUPPLIES PROVIDED					FEED¹²				
CROP PROTECTANTS¹²					Alabama			75.59	44.27
Alabama			121.85	102.35	Arkansas			72.70	66.33
Arkansas			300.30	170.12	California			500.34	375.77
California			49.50	37.73	Colorado			114.04	95.04
Colorado			49.88	40.35	Florida			130.85	103.29
Florida			52.59	20.16	Georgia			78.22	58.65
Georgia			117.87	91.91	Idaho			631.81	445.61
Idaho			44.65	13.64	Illinois			660.10	554.82
Illinois			1,140.94	898.83	Indiana			248.68	203.41
Indiana			291.57	197.65	Iowa			2,263.41	1,956.25
Iowa			1,685.28	1,263.33	Kansas			363.46	309.81
Kansas			310.96	234.16	Kentucky			103.45	85.95
Kentucky			62.15	48.52	Louisiana			107.99	81.59
Louisiana			129.43	51.27	Maryland			76.80	64.46
Maryland			18.06	14.37	Massachusetts			9.11	8.06
Massachusetts			1.03	0.40	Michigan			234.79	194.42
Michigan			55.47	36.25	Minnesota			1,580.74	1,296.40
Minnesota			665.32	435.05	Mississippi			176.98	135.24
Mississippi			183.93	104.47	Missouri			416.24	314.33
Missouri			212.79	152.46	Montana			84.57	17.36
Montana			312.47	151.73	Nebraska			448.14	336.06
Nebraska			593.29	385.39	New York			95.20	74.32
New York			50.48	22.93	North Dakota			192.57	148.08
North Dakota			427.59	310.04	Ohio			339.02	294.54
					Oklahoma			158.51	122.96
					Oregon			221.40	121.26
					Pennsylvania			161.57	122.77
					South Dakota			433.19	285.92
					Tennessee			298.47	193.02

¹² Headquartered in State and membership values are not collected for individual supply products; rather, they are collected for total supplies.

Continued next page

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
FEED (cont.)					FERTILIZER (cont.)				
Texas			625.78	477.69	Wisconsin			745.19	526.99
Utah			143.36	137.05	Wyoming			11.07	11.07
Virginia			206.56	187.52	Other States			235.21	182.13
Washington			210.76	106.99	Foreign ⁷			1.82	1.00
West Virginia			324.78	231.03	United States			14,684.39	11,681.12
Wisconsin			565.18	486.04	PETROLEUM^{12, 13}				
Wyoming			12.37	10.42	Alabama			8.62	8.62
Other States			796.43	571.39	Arkansas			169.41	159.83
Foreign ⁷			310.36	213.08	California			4.28	4.28
United States			13,473.51	10,531.21	Colorado			892.61	478.34
FERTILIZER¹²					Florida			6.94	4.47
Alabama			85.87	82.24	Georgia			615.25	204.88
Arkansas			90.59	85.69	Idaho			663.20	288.88
California			203.34	203.34	Illinois			3,170.63	2,115.86
Colorado			107.77	100.46	Indiana			1,397.21	983.50
Florida			70.45	46.99	Iowa			2,218.50	1,606.14
Georgia			77.32	64.16	Kansas			1,909.15	1,234.11
Idaho			6.29	6.29	Kentucky			142.72	122.11
Illinois			1,692.98	1,312.43	Louisiana			12.24	11.78
Indiana			668.82	631.10	Maryland			168.78	129.03
Iowa			2,532.77	1,856.93	Massachusetts			0.03	0.03
Kansas			587.58	582.92	Michigan			809.96	339.24
Kentucky			208.89	175.94	Minnesota			1,874.91	1,491.50
Louisiana			33.66	29.28	Mississippi			15.03	15.03
Maryland			45.55	39.83	Missouri			2,229.30	1,659.97
Massachusetts			16.49	9.00	Montana			892.79	684.84
Michigan			104.88	101.14	Nebraska			1,776.71	1,200.81
Minnesota			1,131.17	950.12	New York			3.67	2.31
Mississippi			28.49	28.49	North Dakota			1,833.55	1,435.92
Missouri			635.93	462.71	Ohio			446.88	393.47
Montana			429.64	255.07	Oklahoma			1,268.72	613.46
Nebraska			1,133.93	948.86	Oregon			726.87	427.42
New York			55.22	31.38	Pennsylvania			14.74	11.08
North Dakota			513.67	509.47	South Dakota			1,128.57	690.03
Ohio			583.97	508.33	Tennessee			813.59	318.39
Oklahoma			133.35	122.14	Texas			333.02	296.60
Oregon			512.31	337.74	Utah			570.23	179.06
Pennsylvania			102.17	61.80	Virginia			1,010.12	531.81
South Dakota			693.45	516.17	Washington			814.54	548.36
Tennessee			322.98	218.35	West Virginia			34.67	29.13
Texas			126.83	125.74	Wisconsin			1,668.34	1,222.08
Utah			30.45	30.41	Wyoming			680.87	401.60
Virginia			164.05	142.32	Other States			91.70	78.06
Washington			545.81	370.67	Foreign ⁷			562.92	169.93
West Virginia			14.43	12.44	United States			30,981.29	20,091.96

¹³ Includes all types of petroleum products and lubricants as well as bioenergy fuels such as ethanol and biodiesel.

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
SEED¹²					OTHER SUPPLIES (cont.)				
Alabama			35.41	23.25	Florida			48.14	26.21
Arkansas			58.31	38.38	Georgia			71.02	33.25
California			28.41	17.59	Idaho			58.17	40.55
Colorado			26.80	13.04	Illinois			321.51	242.20
Florida			4.09	2.65	Indiana			1,693.47	858.17
Georgia			17.09	10.25	Iowa			313.84	251.79
Idaho			19.81	10.89	Kansas			135.54	119.07
Illinois			647.20	406.60	Kentucky			116.76	84.52
Indiana			204.42	93.56	Louisiana			25.04	19.73
Iowa			705.77	389.14	Maryland			33.19	28.89
Kansas			190.73	104.42	Massachusetts			7.51	7.38
Kentucky			58.74	44.38	Michigan			105.29	87.48
Louisiana			31.83	20.24	Minnesota			524.95	484.73
Maryland			11.96	9.27	Mississippi			44.33	38.94
Massachusetts			0.34	0.21	Missouri			128.50	85.52
Michigan			36.46	20.52	Montana			102.75	95.70
Minnesota			588.02	326.23	Nebraska			175.15	159.70
Mississippi			40.49	20.71	New York			35.82	27.54
Missouri			138.86	93.43	North Dakota			512.60	494.79
Montana			37.40	33.55	Ohio			101.79	81.18
Nebraska			273.22	178.56	Oklahoma			59.76	47.08
New York			14.95	3.57	Oregon			245.07	238.71
North Dakota			286.22	145.95	Pennsylvania			28.38	22.74
Ohio			212.03	125.65	South Dakota			217.94	207.88
Oklahoma			13.62	10.58	Tennessee			276.34	198.45
Oregon			46.47	43.85	Texas			121.90	105.77
Pennsylvania			9.34	5.47	Utah			105.21	84.23
South Dakota			348.67	178.04	Virginia			219.15	189.76
Tennessee			172.76	94.81	Washington			235.81	197.39
Texas			65.67	46.04	West Virginia			33.95	30.29
Utah			6.01	4.10	Wisconsin			458.02	433.45
Virginia			39.36	34.34	Wyoming			59.63	56.31
Washington			71.00	66.92	Other States			245.41	171.63
West Virginia			5.78	4.79	Foreign ⁷			24.35	13.59
Wisconsin			294.60	173.91	United States			7,359.45	5,692.36
Wyoming			2.75	1.43					
Other States			48.81	34.70					
Foreign ⁷			0.12	0.12					
United States			4,793.49	2,831.14					
OTHER SUPPLIES^{12, 14}					SUPPLY				
Alabama			53.19	49.07	Alabama	41	28.0	380.53	309.79
Arkansas			78.08	63.91	Arkansas	25	25.7	769.40	584.26
California			242.51	226.93	California	14	13.7	1,028.37	865.64
Colorado			99.37	87.84	Colorado	16	17.7	1,290.46	815.08
					Florida	7	10.5	313.06	203.77
					Georgia	5	15.3	976.77	463.10
					Idaho	7	7.5	1,423.92	805.87
					Illinois	42	72.3	7,633.36	5,530.74
					Indiana	15	36.9	4,504.17	2,967.39
					Iowa	30	37.9	9,719.58	7,323.59

¹⁴ Includes building materials, containers and packaging supplies, machinery and equipment, meats and groceries, automotive supplies, hardware, chicks, and other supplies not separately classified.

Continued next page

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2011³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
SUPPLY (cont.)					TOTAL				
Kansas	25	35.8	3,497.41	2,584.49	Alabama	51	30.9	779.98	709.25
Kentucky	29	184.9	692.72	561.44	Alaska	5	3.0	249.51	170.30
Louisiana	18	5.5	340.18	213.89	Arizona	8	1.9	1,194.51	1,084.19
Maryland	11	40.4	354.34	285.85	Arkansas	36	38.4	2,691.75	2,445.30
Massachusetts	3	3.0	34.51	25.09	California	120	35.7	11,134.29	10,153.55
Michigan	18	40.6	1,346.84	779.03	Colorado	29	23.9	2,175.70	1,700.32
Minnesota	97	81.6	6,365.11	4,984.04	Connecticut	5	0.3	439.84	433.30
Mississippi	30	31.5	489.24	342.88	Delaware	3	9.5	173.01	136.85
Missouri	41	79.3	3,761.63	2,768.42	Florida	33	20.8	2,334.35	1,630.91
Montana	25	19.2	1,859.61	1,238.26	Georgia	13	17.7	1,595.53	1,046.54
Nebraska	19	15.4	4,400.43	3,209.38	Hawaii	14	0.7	25.24	21.39
New York	6	1.4	255.35	162.05	Idaho	27	12.4	2,884.87	1,477.42
North Dakota	77	53.5	3,766.21	3,044.26	Illinois	118	274.3	15,535.44	13,431.59
Ohio	11	14.1	1,919.57	1,568.01	Indiana	34	43.8	6,473.79	4,908.24
Oklahoma	23	17.2	1,683.39	948.96	Iowa	97	110.7	22,395.14	19,765.86
Oregon	12	22.5	2,141.89	1,401.93	Kansas	91	109.4	7,881.68	6,954.02
Pennsylvania	7	5.6	456.73	322.26	Kentucky	36	190.4	1,332.82	1,192.49
South Dakota	35	41.3	3,322.73	2,179.94	Louisiana	33	10.1	1,086.91	875.07
Tennessee	60	68.5	2,048.00	1,116.56	Maine	22	5.0	214.45	210.02
Texas	35	33.3	1,373.43	1,118.43	Maryland	15	41.7	821.79	670.49
Utah	6	6.4	870.43	447.26	Massachusetts	8	3.9	489.38	263.26
Virginia	38	129.5	1,674.08	1,115.07	Michigan	45	50.3	4,608.79	3,891.92
Washington	20	13.6	2,392.74	1,627.46	Minnesota	203	128.7	21,979.33	20,420.09
West Virginia	10	67.0	415.87	309.69	Mississippi	56	53.0	1,383.72	1,230.24
Wisconsin	60	83.0	4,202.44	3,104.78	Missouri	59	99.0	9,584.36	8,030.15
Wyoming	5	3.6	769.49	482.72	Montana	44	21.0	2,537.34	1,914.06
Other States	12	45.0	1,524.62	1,113.00	Nebraska	56	75.3	11,314.98	10,106.55
Foreign ⁷	0	0.0	899.56	397.72	New Jersey	11	1.7	373.59	241.75
United States	935	1,408.1	80,898.16	57,322.09	New Mexico	8	0.9	816.27	801.20
					New York	55	6.4	3,253.51	2,596.55
SERVICE¹⁵					North Carolina	13	32.3	1,075.50	951.69
California	25	1.0	310.65	310.65	North Dakota	159	83.8	8,764.47	8,029.14
Louisiana	5	0.2	16.61	16.61	Ohio	41	41.8	5,279.60	4,891.77
Minnesota	4	0.0	699.37	699.37	Oklahoma	56	42.0	2,591.44	1,851.13
Mississippi	4	13.6	46.72	46.72	Oregon	33	29.6	4,455.38	3,633.19
North Carolina	3	0.8	10.01	10.01	Pennsylvania	39	9.4	2,447.25	2,134.54
Pennsylvania	8	0.2	7.49	7.49	South Carolina	3	3.6	263.10	227.59
Texas	8	0.2	385.57	385.57	South Dakota	73	67.5	6,994.97	5,834.60
Wisconsin	9	0.2	120.41	120.41	Tennessee	64	81.3	2,282.44	1,303.21
Other States	62	1.5	2,855.78	2,855.78	Texas	187	77.4	7,267.01	6,826.89
United States	128	17.7	4,452.64	4,452.64	Utah	12	9.1	1,107.55	659.06
					Vermont	3	1.2	643.72	633.00
					Virginia	57	133.1	2,317.58	1,701.27
					Washington	58	25.3	6,164.33	5,372.93
					West Virginia	23	68.0	435.55	327.04
					Wisconsin	115	148.4	12,033.83	10,256.90
					Wyoming	11	4.6	868.85	581.74
					Other States	3	0.7	355.47	265.06
					Foreign ⁷	0	0.4	10,323.27	9,602.31
					United States	2,285	2,280.5	213,433.20	183,595.94

¹⁵ Includes cooperatives providing services such as livestock shipping, storing, grinding, and drying. Sales include charges for services related to marketing or purchasing, but not included in the volume reported for those activities, plus other income.

use a cooperative classified in the marketing group to purchase one or more supply items. A member's business with the cooperative, therefore, may not be in the group that represents the cooperative's major business volume (the criterion for classifying cooperatives in this report). The membership, however, will be included arbitrarily in that classification.

During the past decade, membership in marketing cooperatives declined a little faster than in supply cooperatives. Memberships in marketing cooperatives dropped 25 percent while supply cooperatives decreased 15 percent. Service cooperatives increased memberships by more than 12,000 during the same time period.

Employees

Cooperatives had an estimated 131,000 full-time employees in 2011, an increase of about 1,800 from 2010 (Table 4). With four record years of sales, it appears that some cooperatives have added employees, and some may have changed a few part-time and seasonal employees to full-time status as the number of those employees decreased by 1,600 to 53,000 in 2011. Grain and oilseed and dairy cooperatives each added more than 1,800 full-time employees while supply cooperatives decreased their full-time employees by about 3,200.

In 2011, cooperatives employed an estimated 184,000 full-time and part-time and seasonal employees (table 5), virtually unchanged from 2010. Among marketing cooperatives, grain and oilseed had the most employees (31,700), followed by those primarily handling fruits and vegetables (29,500) and dairy (21,700).

By type, marketing cooperatives had 111,000 full-time and part-time and seasonal employees (61 percent of total); supply cooperatives had 70,000 (38 percent); and service cooperatives had 2,000 (1 percent).

Figure 4 shows the number of full-time and part-time and seasonal employees by type of cooperative for 2011. Supply, fruit and vegetable, grain and oilseed, and dairy cooperatives used the most employees; fish cooperatives, the fewest. Dairy, rice, cotton, and fish cooperatives had the smallest proportion of part-time and seasonal employees to total employees. Cotton ginning and fruit and vegetable cooperatives had more than half of their employees

as part-time and seasonal employees while almost 50 percent of sugar cooperatives employees were part-time and seasonal.

Cooperatives used 53,000 part-time and seasonal employees in 2011, down about 1,600, or 3 percent from 2010. Grain and oilseed, sugar, and livestock and poultry cooperatives increased their use of part-time and seasonal employees in 2011 (an additional 1,227).

In 2011, marketing cooperatives reported having 36,000 part-time and seasonal employees, or 68 percent of the total. Marketing cooperatives averaged 29 part-time and seasonal employees per cooperative. Fruit and vegetable cooperatives, with 16,000, accounted for about 30 percent of all part-time and seasonal employees used by cooperatives. Supply cooperatives also had 16,000 part-time and seasonal employees, an average of 17 per cooperative.

Most types of marketing cooperatives operated with more employees than did supply cooperatives. For example, sugar cooperatives averaged 433 employees; rice, 222; cotton, 215; while supply cooperatives averaged 75 (figure 5).

Business Size

Most cooperatives, as measured by annual gross business volume, are relatively small and serve local areas. Some actively seek regional, national, and even international markets to increase business volume. Although few in number, larger cooperatives account for much of cooperatives' business volume. They have grown in size partly from mergers, consolidations, and acquisitions. From 2002 to 2011, there were 1,138 fewer cooperatives with less than \$25 million in sales, while there were 283 cooperatives that moved up into the sales group of more than \$25 million in sales. The sales group of \$200 million to \$499.9 million had the most growth, increasing from 33 cooperatives in 2002 to 142 in 2011 (table 6).

In 2011, 55 percent of all cooperatives reported a business volume of less than \$15 million. However, they accounted for less than 3 percent of the total gross dollar volume (figure 6). About 9 percent of cooperatives reported a business volume of at least \$200 million, but they accounted for 77 percent of the total sales.

Figure 3—Cooperative Memberships by Function, 2002-2011

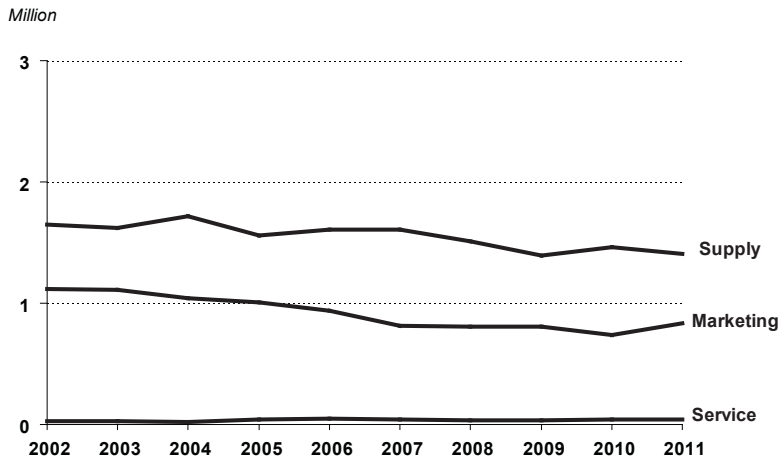
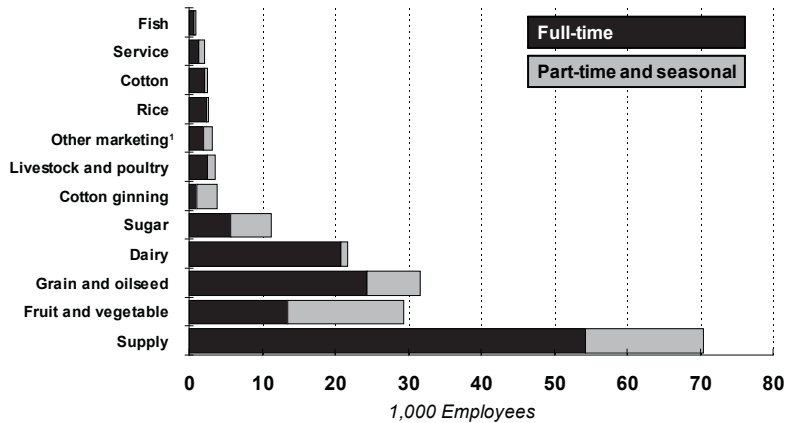
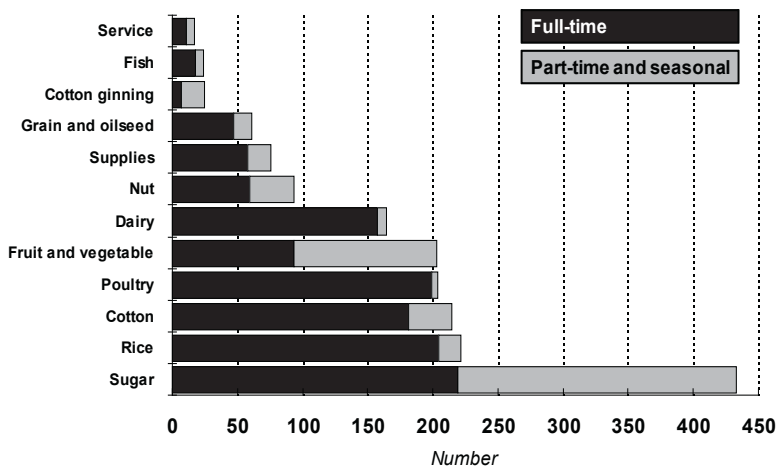


Figure 4—Full-Time and Part-Time and Seasonal Employees, by Cooperative Type, 2011



¹ Includes dry bean and pea, nut, tobacco, wool and mohair, and other product marketing cooperatives

Figure 5—Average Full-Time and Part-Time and Seasonal Employees, 2011



Business Volume

Total gross business volume of the 2,285 marketing, supply, and service cooperatives for 2011 was \$213.4 billion (table 7), up more than \$40 billion from \$171.8 billion in 2010. Historically, gross business volume fell from a record \$128 billion in 1996 to \$112 billion in 2002; however, this has not been a steady decline—some years saw increases to \$120 billion while other years fell to \$115 billion or less (appendix table 3, appendix figure 4). The historical high of 1996 was almost matched in 2006, and then was eclipsed in 2007 through 2011.

Grain and oilseed cooperatives had a gain of almost \$14 billion while dairy cooperatives had an increase of almost \$6.5 billion, due mainly to higher prices. Higher energy costs were the main cause of supply sales increases. Petroleum products led the gain, with an increase of \$6 billion. Fertilizer sales grew over \$3 billion; feed \$2 billion; and crop protectants by \$1 billion.

Total net business volume of cooperatives in 2011 was up \$36 billion from 2010 (net sales equal gross sales minus sales between cooperatives). The net volume for 2011 was \$183.6 billion, higher than gross 2010 sales. The net sales breakdown was \$122 billion from products marketed, \$57 billion from supply sales, and \$4.5 billion from services performed and other income sources. The \$183.6 billion was the highest total ever (appendix table 4, appendix figure 5). There have been a number of fluctuations in net business volume during the past two decades. Net volume dropped to around \$100 billion in 1999 and stayed there until the current upward trend started in 2003, and soared due to increased grain and oilseed prices and energy costs—from 2007 through 2011. Adjusted for infla-

tion² (where 1991 = 100), net business volume was \$97 billion in 2002, and increased to \$168 billion in 2008 before falling to \$146 billion in both 2009 and 2010. It then increased to \$183.6 billion in 2011 (figure 7). The difference between actual and real net business volume in 2011 was \$12 billion. The real net business volume was lower than the actual value in 2011 due to prices paid for production inputs increasing more than prices received for farm products. The index for prices received for all farm commodities from 2002 to 2011 rose 78 points, while the index for prices paid for farm production items increased 80 points. This narrowed the gap between actual and real cooperative net business volume, when adjusted by prices paid and prices received for farm production.

Net volume of products marketed had a very large increase of 26 percent from 2010. Net marketing business volume accounted for 66 percent of net cooperative sales in 2011, an increase of almost 2 percentage points from 2010.

Figure 8 illustrates the leading products marketed by cooperatives based on net marketing business volume. Grain and oilseed led with 44 percent of sales, followed by dairy with 32 percent, and fruit and vegetable with 6 percent.

Net supply volume of \$57 billion was \$10 billion higher than 2010, and accounted for 31 percent of the total net business volume. The leading production goods handled by cooperatives in terms of supply net business volume were petroleum at 35 percent; fertilizer at 20 percent; and feed at 18 percent (Figure 9). Petroleum

² Marketing sales was deflated by the index of producer prices received for “all farm products” (1991 = 100). Supply sales and service receipts and other income were deflated by the index of prices paid by farmers for “production items,” excluding interest, taxes, and wages (1991 = 100).

Figure 6—Distribution of Cooperatives and Volume, by Size, 2011

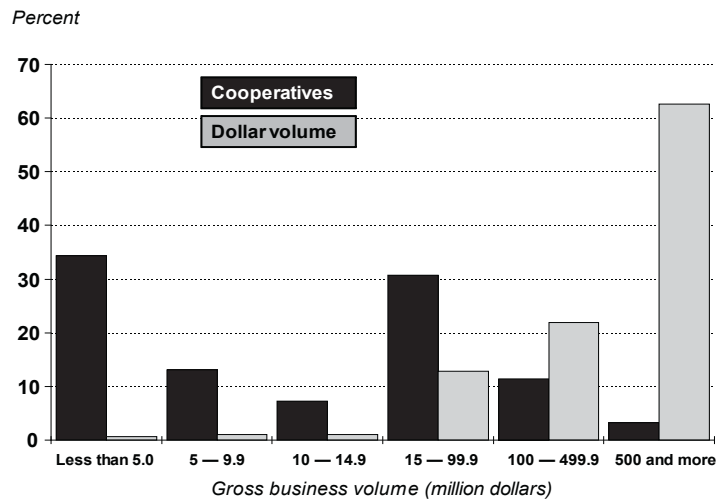
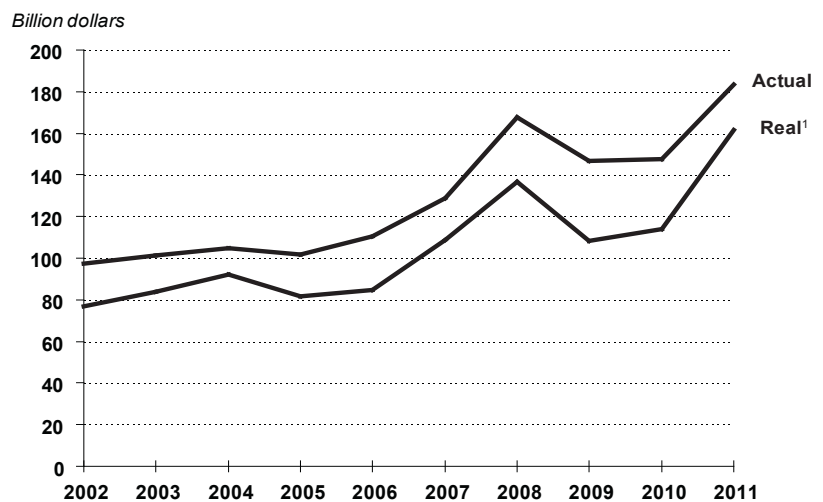


Figure 7—Cooperatives’ Net Business Volume, Actual and Adjusted, 2002-2011



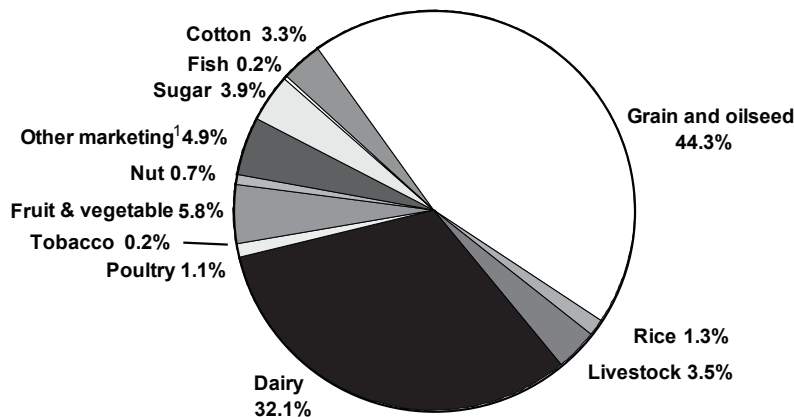
¹ Actual sales were adjusted for price change based on 1991 = 100.

sales increased by almost \$4 billion over 2010 sales, while fertilizer and feed sales both grew by about \$2 billion.

Receipts for services provided by marketing, supply, and service cooperatives, plus other income, decreased by about \$500 million. Service receipts and other income represented 2 percent of total net business volume.

Marketing sales of four major commodity groups—grain and oilseed, dairy, fruit and vegetable, and sugar—were up from 72 percent of marketing sales in 2002 to 85 percent in 2011 (figure 10).

Figure 8—Relative Importance of Products Marketed by Cooperatives, 2011



Percentages are based on a total net marketing business volume of \$122 billion.
¹Includes wool and mohair, dry edible bean and pea, and other product marketing

Grain and oilseed sales increased by \$36 billion mainly due to price increases. Dairy sales increased by \$16 billion while sugar sales grew by \$2 billion. Net volume among commodity groups was highest in 2011 for grain and oilseed at \$54 billion (compared to \$18 billion in 2002), followed by dairy with \$39 billion.

Feed and fertilizer are important farm inputs for supply cooperatives (figure 11), but petroleum was especially important in 2011, accounting for \$8 billion more in sales than either feed or fertilizer. The combination of petroleum, feed, and fertilizer sales accounted for 74 percent of cooperatives' total supply sales in 2011 and 71 percent in 2002.

Gross and net business volumes by State are presented in table 3. Sales are allocated to the State in which the product marketed was originated and the supplies were sold. Iowa led all States with \$22.4 billion in gross business volume, and it was second for net business volume, at \$19.8 billion. Minnesota was second with \$22 billion in gross business but led the Nation with \$20.4 billion in net cooperative business volume.

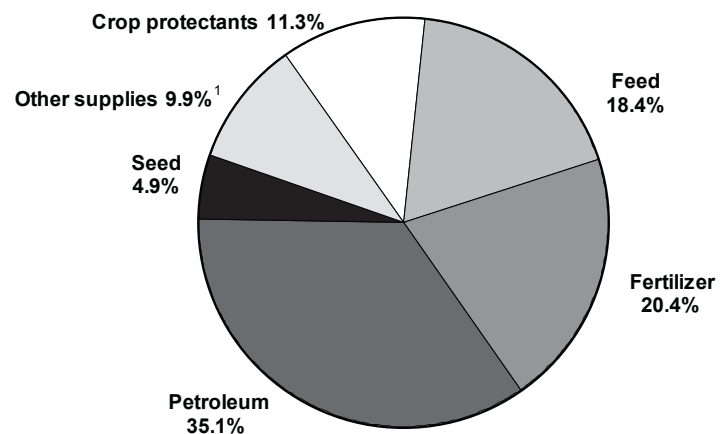
Balance Sheet

The balance sheet of a cooperative States its financial position at the end of a 12-month fiscal year. The balance sheet represents the cooperative's assets, liabilities, member equity, and their mutual relationship. Combined assets for all cooperatives were a record \$78 billion in 2011—about \$10 billion higher than the previous record of \$69 billion set in 2008 (table 8). Total assets of cooperatives, excluding inter-cooperative investments, increased by \$13 billion from 2010, to \$74 billion. Cooperatives' total assets grew from \$47 billion in 2002 to \$78 billion in 2011 (appendix table 5 and figure 12).

In 2002, 12 percent, or \$5.5 billion, of total assets was invested in other cooperatives, including CoBank. In 2011, these investments were \$4.4 billion, down more than \$1 billion from the peak in 2002. This represented 5.6 percent of total assets, 6 points lower than a decade ago.

Of the \$78 billion in total assets, marketing cooperatives accounted for \$42 billion, up \$8 billion from 2010. Grain and oilseed cooperatives had about \$21 billion in assets, almost triple the assets of dairy cooperatives, and almost 5 times the assets

Figure 9—Relative Importance of Supplies Handled by Cooperatives, 2011



Percentages are based on a total net supply business volume of \$57 billion.
¹Includes building materials, tires, batteries and accessories, equipment, animal health products, pet food, semen, hardware, food, clothing, and other.

of fruit and vegetable cooperatives (\$4.5 billion). All three of these types of marketing cooperatives have less combined assets than supply cooperatives (\$36 billion).

Table 9 compares common-size balance sheets for six sizes of cooperatives (for all types and sizes, see appendix table 6). Common-size balance sheets present all accounts as a percent of total assets, allowing comparison between different sizes and types of cooperatives.

Current Assets

Current assets are generally comprised of cash and cash equivalents, accounts and notes (with short-term maturities) receivable, inventories, and prepaid expenses. Current assets were about 65 percent for all sizes of cooperatives, up from 60 percent in 2010. Smaller cooperatives—especially service, most sugar, biofuels, and cotton ginning cooperatives—had smaller levels of current assets. Grain and oilseed, livestock, dry bean and pea, and larger cooperatives tended to have higher levels of current assets.

Investments and Other Assets

Investments were most often in other cooperatives and CoBank. “Other assets” is a catch-all category in this study, and contains a wide variety of items. Investments plus other assets ranged from 8 percent of all assets for small cooperatives up to 15 percent for cooperatives with sales of \$5 million to \$15 million. The largest cooperatives accounted for less than 3 percent of investments and other assets. Investments were larger for supply cooperatives than most marketing cooperatives. All but the largest supply cooperatives generally purchase their inputs from regional supply cooperatives, hence the large investments in other cooperatives. Large dairy, fresh fruit and vegetable, service (except dairy service, and fresh fruit and veg-

etable service), cotton, fish, poultry, nut, tobacco, and livestock cooperatives all had low investments levels—often less than 4 percent of all assets.

Property, Plant, and Equipment

Net property, plant, and equipment (net PP&E) are tangible assets used by a cooperative’s operations. PP&E averaged between 20 and 26 percent of total assets. Biofuels, medium and large sugar, small cotton ginning, small fish, and service (except storage,

Figure 10—Cooperatives’ Net Sales of Selected Commodities, 2002-2011

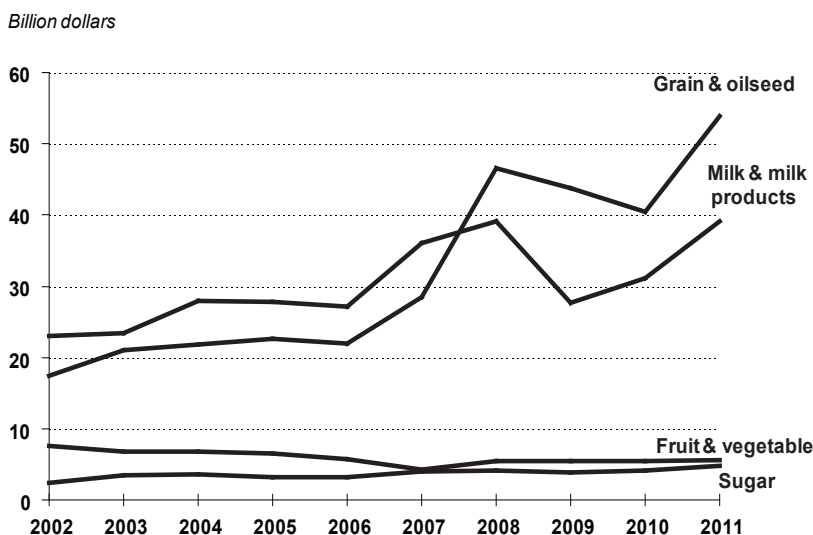


Figure 11—Cooperatives’ Net Sales of Selected Supplies, 2002-2011

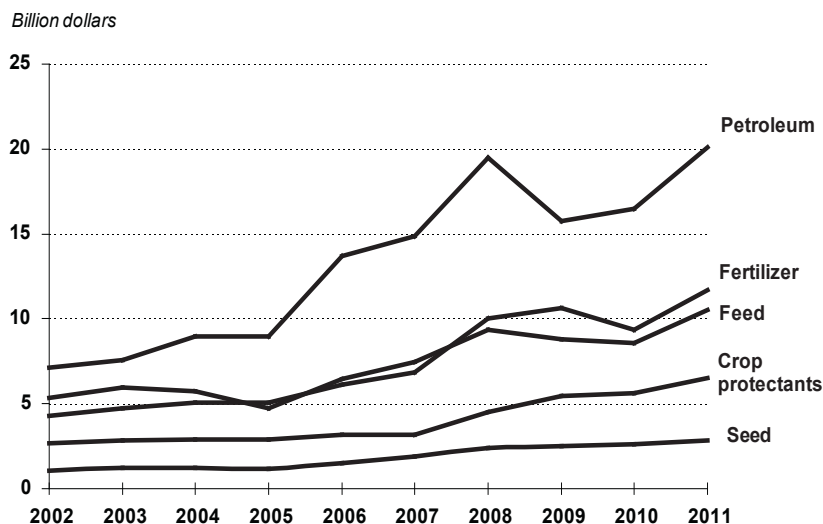


Table 4—Cooperatives' number of full-time employees, 2011-2007

Commodity	2011	2010	2009	2008	2007
	<i>Thousands</i>				
Bean and pea (dry edible)	0.2	0.2	0.2	0.2	0.2
Cotton	2.2	1.8	1.4	1.7	1.6
Cotton ginning	1.1	1.1	1.1	1.1	1.1
Dairy	20.8	18.9	16.1	23.8	23.8
Fish	0.7	0.7	0.7	0.7	0.7
Fruit and vegetable	13.5	13.3	13.6	16.1	14.1
Grain and oilseed	24.3	22.4	25.7	21.0	17.9
Livestock	0.6	0.6	0.7	0.7	0.7
Nut	1.1	0.3	0.3	0.3	3.7
Poultry	2.0	2.0	1.7	1.7	1.7
Rice	2.5	2.4	2.5	2.6	2.6
Sugar	5.7	5.5	5.7	5.9	7.5
Other marketing	0.7	0.8	0.8	1.9	2.3
Total marketing	75.2	70.1	70.6	77.8	77.8
Total supplies	54.4	57.6	50.3	46.3	46.2
Total services	1.3	1.3	1.3	1.3	1.5
Total	130.9	129.0	122.2	125.4	125.5

dairy, and fresh fruit and vegetable) cooperatives all had PP&E of at least 40 percent of their assets.

Current Liabilities

Current liabilities are all obligations that will be paid with the use of current assets, and are usually paid within 1 year. Current liabilities are comprised of notes payable to banks and/or other trade creditors, accounts payable, current maturities of long-term debt, income taxes, other accrued liabilities (payroll, property taxes, interest, and other), patronage dividends payable, and miscellaneous or other current liabilities. Current liabilities were at least 32 percent of total assets, and grew to 52 percent for larger cooperatives. Product marketing cooperatives tended to have higher levels of current liabilities than supply and service cooperatives.

Total Liabilities

Total liabilities include current liabili-

ties plus long-term liabilities, which are primarily long-term debt. In the aggregate, all types and sizes of cooperatives had some long-term debt. Smaller cooperatives all had at least 9 percent of their assets financed through long-term debt. The largest cooperatives used the most debt, financing 21 percent of their assets through borrowing. Nut, large cotton, large dairy, large fruit and vegetable, small fish, large sugar, and farmer market cooperatives all financed about 20 percent of their assets with long-term debt.

Total liabilities were \$51 billion, up \$12 billion from 2010 (Table 10). Cooperatives' total liabilities grew from \$28 billion in 2002 to \$51 billion in 2011. Total liabilities financed 64 percent of total assets in 2011, 4 points higher than in 2010.

Allocated (or Member) Equities

Allocated (or member) equities represent member ownership of each cooperative. Comparing allocated equities to total assets determines the percent of the cooperative's assets owned by members. Allocated equity comprised just 23 percent of ownership of all sizes of cooperatives—4 points lower than 2010. The very largest cooperatives had the smallest percentages of both retained earnings and overall equity.

Net worth, or member and patron equity, was \$28 billion, up \$2 billion from 2010. The proportion of total assets financed by member and patron

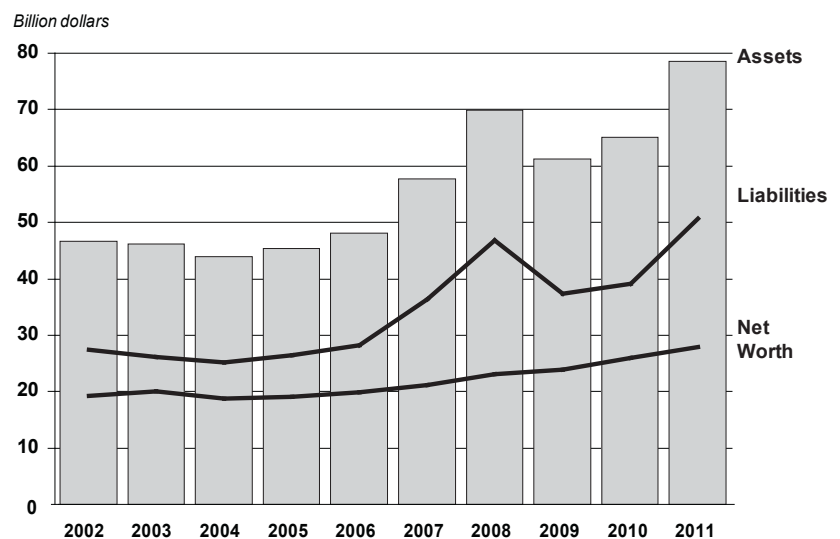
Figure 12—Cooperatives' Assets, Liabilities, and Net Worth, 2002-2011

Table 5—Full-time and part-time and seasonal employees of cooperatives, by cooperative type, 2011-2010¹

Principal product(s) marketed or major function	Total employees		Full-time		Part-time & seasonal	
	2011	2010	2011	2010	2011	2010
Products marketed			<i>Thousands</i>			
Bean & pea (dry edible)	0.2	0.2	0.2	0.2	0.0	0.1
Cotton	2.6	2.2	2.2	1.8	0.4	0.4
Cotton ginning	3.9	3.9	1.1	1.1	2.8	2.9
Dairy	21.7	20.0	20.8	18.9	1.0	1.0
Fish	0.9	0.9	0.7	0.7	0.2	0.2
Fruit and vegetable	29.5	29.9	13.5	13.3	16.0	16.6
Grain and oilseed	31.7	29.0	24.3	22.4	7.3	6.6
Livestock and poultry	3.6	3.4	2.6	2.6	1.1	0.9
Rice	2.7	2.7	2.5	2.4	0.2	0.3
Sugar	11.3	10.8	5.7	5.5	5.6	5.3
Other marketing ²	3.0	2.9	1.8	1.1	1.2	1.8
Total marketing	111.0	106.0	75.2	70.1	35.8	35.9
Total supplies	70.5	75.3	54.4	57.6	16.1	17.7
Total services	2.2	2.1	1.3	1.3	0.8	0.8
Total	183.6	183.4	130.9	129.0	52.8	54.4

¹ Totals may not add due to rounding.

² Includes nut, tobacco, wool, and other product marketing cooperatives.

equity was 36 percent, down 4 percentage points from 2010. Net worth for all marketing cooperatives totaled \$14 billion, up \$1 billion from 2010. Marketing cooperatives accounted for 52 percent of cooperatives' combined net worth, up 2 points from 2010. Net worth for supply cooperatives totaled \$13 billion, representing 47 percent of the total. For marketing cooperatives, the highest percentage of total assets represented by net worth shown in figure 13 was 55 percent, accounted for by "other" marketing cooperatives. Grain and oilseed cooperatives ranked lowest at 31 percent.

Income Statement

The income statement shows the net results of a cooperative's operations. Because most managers' performance is judged by net income, members

attach great importance to the income statement. Table 9 presents a common-size income statement for all cooperatives, based on six sizes. Each item in a common-size income statement is represented as a percent of total sales or service. Common-size income statements by cooperative type and size are presented in appendix table 6.

Total (Net) Sales

Total (net) sales are all sales less discounts, returns, and allowances from gross sales. Service cooperatives do not have a total sales value: the first income statement item for these cooperatives is service.

Cost of Goods Sold

Cost of goods sold (COGS) includes the beginning inventory plus purchases and freight costs, minus purchase returns and allowances, purchase discounts, and ending inventory. COGS, therefore, was the purchase price of the supplies sold or products marketed. For all sizes of cooperatives, COGS was 91 percent of net sales. COGS can be much lower for cooperatives that process products or provide technical services. Artificial insemination cooperatives, processed and fresh fruit and vegetable cooperatives, medium cotton ginning, larger fish, smaller nut, larger rice and medium sugar cooperatives have a lower COGS. Grain and oilseed and most dairy cooperatives have a COGS in excess of 90 percent, while large livestock marketing cooperatives that operate mainly as auctions have a COGS of 99 percent.

Gross Margins

The excess of net sales over the cost of goods sold is the gross margin or gross margin percentage. A small change in the gross margin can tremendously

Table 6—Cooperatives and memberships, by gross business volume, 2011¹

Sales volume group (million \$)	Cooperatives		Dollar volume		Memberships ²	
	Number	Percent of total	Gross ³ (billion \$)	Percent of total	Number (1,000)	Percent of total
Less than 5.0	784	34.3	1.33	0.6	205	9.0
5 - 9.9	299	13.1	2.21	1.0	159	7.0
10 - 14.9	167	7.3	2.09	1.0	93	4.1
15 - 24.9	241	10.5	4.66	2.2	169	7.4
25 - 49.9	254	11.1	8.79	4.1	228	10.0
50 - 99.9	207	9.1	13.88	6.5	195	8.6
100 - 199.9	118	5.2	16.66	7.8	181	7.9
200 - 499.9	142	6.2	30.18	14.1	462	20.3
500 - 999.9	45	2.0	22.70	10.6	124	5.5
1,000 and more	28	1.2	110.94	52.0	465	20.4
Total ⁴	2,285	100.0	213.43	100.0	2,280	100.0

¹ Business volume includes revenues from marketing plus the value of products bargained for or handled on a commission basis, supply sales, service receipts, and other income.

² Includes number of farmers, ranchers, and fishermen eligible to vote for directors. Does not include memberships held by other cooperatives, such as local cooperative memberships in regional cooperatives.

³ Includes inter-cooperative business volume.

⁴ Total may not add due to rounding

impact net operating margins. A cooperative manager must maintain a gross margin near industry averages. Thus, least-cost sources of supplies need to be developed, and marketing cooperatives need to pay market rates on the products they purchase.

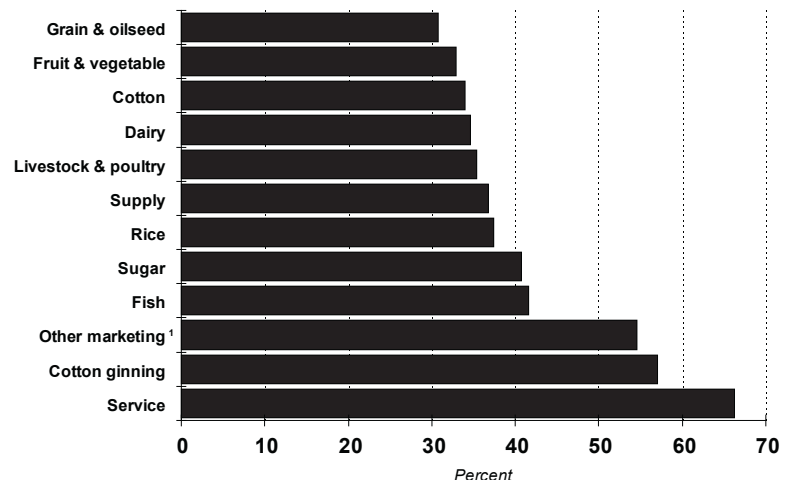
Cooperatives are often characterized as businesses that provide goods and services “at cost.” However, a cooperative cannot operate at cost on a daily basis. Cooperatives need adequate gross margins to be profitable and able to afford to finance essential future-directed discretionary expenditures, such as expansion and advertising.

Gross margin equals net sales less cost of goods sold, so cooperatives with higher COGS had lower gross margins. The COGS was about three points higher for the very largest cooperatives than for the other sizes. As discussed earlier, those cooperatives with a low COGS would have high gross margins.

most common services. Other operating income is generated from sales activities, and includes income from providing financing for sales.

Service and Other Operating Income
Service and other operating income is derived from any service cooperatives provide. Some cooperatives only provide services such as rice driers, storage, transportation, auctions, hulling, seed development, locker plants, pest management and scouting, farmer markets, and other miscellaneous services. Service income is important to marketing and supply cooperatives. They provide hauling, storage, grading, delivery, custom application, record-keeping, and drying, to name some of the

Figure 13—Percentage of Assets Financed by Net Worth, by Cooperative Type, 2011



¹ Includes dry bean and pea, nut, tobacco, wool and mohair, and other product marketing cooperatives.

Table 7—Cooperatives' gross and net business volumes by commodity, 2011 & 2010¹

Commodity	Gross volume		Net volume	
	2011	2010	2011	2010
Products marketed	<i>Billion \$</i>			
Bean & pea (dry edible)	.154	.163	.151	.160
Cotton	4.099	2.381	3.971	2.294
Dairy	40.755	34.268	39.140	31.126
Fish	.251	.225	.251	.225
Fruit & vegetable	7.792	7.724	5.562	5.451
Grain & oilseed ²	54.671	40.997	53.923	40.489
Livestock	4.364	3.633	4.231	3.539
Nut	.910	.905	.907	.905
Poultry ³	1.302	1.179	1.302	1.179
Rice	1.536	1.518	1.536	1.518
Sugar	5.697	5.008	4.737	4.101
Tobacco	.251	.243	.251	.243
Wool & mohair	.005	.005	.005	.005
Other marketing ⁴	6.257	4.788	5.817	4.522
Total marketing	128.045	103.035	121.784	95.756
Supplies purchased:				
Crop protectants	9.606	8.057	6.494	5.641
Feed	13.474	10.827	10.531	8.599
Fertilizer	14.684	11.071	11.681	9.371
Petroleum	30.981	24.556	20.092	16.468
Seed	4.793	4.286	2.831	2.626
Other supplies ⁵	7.359	5.044	5.692	4.413
Total supplies	80.898	63.842	57.322	47.118
Services & other income ⁶	4.453	4.930	4.453	4.930
Total business	213.396	171.807	183.559	147.805

¹ Gross includes and net excludes inter-cooperative business. Totals may not add due to rounding.

² Excludes cottonseed. Cottonseed oil is included in other marketings whereas cottonseed meal is included in feed.

³ Includes eggs, turkeys, ratite, squab, and related products.

⁴ Includes cotton ginning, coffee, forest products, hay, hops, seed marketed for growers, nursery stock, ethanol, other farm products not separately classified, and sales of products not received directly from member patrons. Also includes manufactured food products and resale items marketed by cooperatives.

⁵ Includes artificial insemination, building materials, containers and packaging supplies, machinery and equipment, meats and groceries, automotive supplies, hardware, chicks, and other supplies not separately classified.

⁶ Includes trucking, storage, grinding, application, locker plants, and other related items. Services include charges related to marketing or purchasing, but not included in the volume reported for those activities, plus other income and extraordinary items.

For service cooperatives, service is 100 percent on their income statement. By cooperative size, service income is the most important for smaller cooperatives (15 percent of sales), and diminishes as size increases to cooperatives with over \$500 million in sales (1 percent of sales). Many of the cotton ginning cooperatives have a significant amount of service income; hence, service income ranges from 32 percent to 57 percent of sales for these cooperatives.

Operating Expenses

There are only four categories for expenses in table 9: wages, depreciation, interest, and all other. Wages includes all employee expenses, including salaries and wages, payroll taxes, employee insurance, unemployment compensation, and pension expense. The "all other" account includes administrative expenses, which are overhead costs and indirectly related to a cooperative's revenue. These include professional services, office supplies, telephone, meetings and travel, donations, dues and subscriptions, directors' fees and expense, and annual meetings. The "all other" category also includes general expenses, which are directly related to revenue, such as advertising and promotion; auto and truck delivery; insurance; property, business and other taxes and licenses; rent and lease expenses; plant supplies and repairs; repairs and maintenance; utilities; miscellaneous; bad debts; and other expenses.

Wage expenses were the highest for smaller cooperatives and fell as cooperative size increased, from 13 percent for the smallest cooperatives to 3 percent for the largest. Wage expenses were higher for service cooperatives because they are generally small and lack other sales to spread out wage costs. Artificial insemination cooperatives had wage expenses that were over 38 percent of sales; those of smaller cotton ginning cooperatives averaged more than 31 percent of sales. Dairy, cotton, grain and oilseed and larger and middle livestock marketing (auctions), biofuels, large nut, smaller rice, tobacco, and small sugar cooperatives had lower wage expenses relative to sales.

Depreciation expenses did not change much with cooperative size, ranging from 2 percent for the smallest cooperatives to 1 percent for the largest cooperatives. Smaller cotton ginning cooperatives and

Table 8—Combined assets of cooperatives, 2011¹

Principal product(s) marketed and major function	Co-ops ²	Assets of own operations	Investments in other co-ops ³	Total assets	Investments in other co-ops as percent of total
Products marketed	No.	Billion \$		Percent	
Cotton	12	1.317	.017	1.334	1.3
Cotton ginning	154	.454	.074	.528	14.0
Dairy	132	7.719	.134	7.853	1.7
Fish	38	.081	.000	.081	0.0
Fruit & vegetable	145	4.424	.110	4.534	2.4
Grain & oilseed	521	19.437	1.586	21.022	7.5
Livestock & poultry	74	.685	.014	.699	2.0
Rice	12	.909	.011	.920	1.1
Sugar	26	3.404	.034	3.437	1.0
Other marketing ⁴	108	1.724	.032	1.756	1.8
Total marketing	1,222	40.154	2.011	42.165	4.8
Total supplies	935	33.605	2.276	35.881	6.3
Total services	128	.380	.070	.450	15.5
Total	2,285	74.140	4.357	78.497	5.6

¹ Totals may not add due to rounding.

² Many cooperatives have multi-product and multi-functional operations. Most are classified according to predominant commodity or function as indicated by business volume.

³ Also includes investments in CoBank.

⁴ Includes dry edible bean and pea, nuts, tobacco, wool, and other marketing.

service cooperatives (except dairy, livestock, and fruit and vegetable) had depreciation expenses of at least 5 percent of sales. Most livestock cooperatives had little PP&E, so depreciation expenses were less than 1 percent. Large cotton, most dairy, grain and oilseed, small rice, and large nut cooperatives also had depreciation expenses of less than 1 percent.

Interest expenses were relatively minor for all sizes of cooperatives, comprising less than 0.5 percent of total sales. All the Cotton service and small nut cooperatives had interest expenses greater than 2 percent of sales.

Other expenses fell as cooperatives grew larger. This account is the difference between total expenses and the sum of wages, depreciation, and interest, so it can be overstated when these three accounts are estimated for the few cooperatives that did not break out individual expenses on the survey or in their annual report. As a result, other expenses in

this report may be larger than expected.

Net Operating Margins

Net operating margins is calculated by taking gross margins minus total expenses before taxes, and not counting patronage refunds from other cooperatives. So, it is income generated by a cooperative's own operations. Net operating margins for all cooperatives in 2011 was \$4.8 billion, excluding inter-cooperative dividends and refunds (table 11). Net operating margins was about \$1 billion higher than in 2010.

Net operating margins as a percent of net sales was 2 percent for all cooperatives by size (table 9). Most service cooperatives (except dairy), artificial insemination, small cotton, large processed and fresh fruit and vegetable, and large cotton ginning had high net operating margins. Small cotton ginning, dairy, small fresh fruit and veg-

etable, small supply, livestock, small fish, large nut, and small sugar marketing cooperatives had low or negative net operating margins.

Patronage Income

Patronage refunds received (usually income from other cooperatives) results from business with other cooperatives, generally regionals or CoBank, a cooperative bank. The patronage refund from regionals was based on business volume, and consisted of cash refunds and equity stock. Stock was usually revolved back to the local cooperative on a set schedule. Many cooperatives that borrowed funds from CoBank received both cash and non-cash patronage income. The non-cash patronage from CoBank was from investment in the bank, which was usually required in proportion to the funds borrowed.

Patronage refunds received from other cooperatives, including CoBank, totaled \$613 million,

Table 9—Common size analysis by cooperative size, 2011

Cooperative sales size	All sizes	≥ \$500 million	From \$100 to \$500 million	From \$15 to \$100 million	From \$5 to \$15 million	< \$5 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	64.79	65.25	66.70	62.20	54.43	58.29
Other assets	7.97	10.38	5.86	2.99	7.37	7.30
Investments	5.55	2.59	7.49	11.15	14.74	7.93
PP&E ¹ (net)	21.69	21.77	19.96	23.66	23.47	26.48
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	47.78	46.91	51.74	47.54	35.61	32.06
Total liabilities	64.45	68.09	64.33	56.77	43.78	42.31
Allocated equity	22.67	23.01	17.37	25.90	38.25	47.12
Retained earnings	12.88	8.90	18.30	17.33	17.97	10.58
Total equity	35.55	31.91	35.67	43.23	56.22	57.69
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	90.97	92.02	89.73	88.80	85.54	84.83
Gross margin	9.03	7.98	10.27	11.20	14.46	15.17
Service and other income	1.61	0.89	1.91	3.26	7.72	15.90
Gross revenue	10.65	8.86	12.18	14.46	22.19	31.07
Expenses						
Wages	4.00	3.32	4.50	5.54	8.48	12.69
Depreciation	0.95	0.81	1.08	1.28	1.77	2.25
Interest	0.44	0.35	0.62	0.54	0.62	0.78
Other	3.20	2.37	3.92	5.05	8.22	12.93
Total expenses	8.59	6.85	10.11	12.41	19.10	28.65
Net operating margins	2.05	2.01	2.07	2.05	3.09	2.42
Patronage income	0.29	0.10	0.50	0.75	1.36	0.90
Non-operating income	0.23	0.17	0.25	0.43	0.52	0.10
Net income before taxes	2.57	2.28	2.82	3.23	4.97	3.70
Taxes	0.17	0.13	0.26	0.24	0.23	0.10
Net income	2.40	2.15	2.56	2.99	4.74	3.60
Ratios						
	<i>Percent or number</i>					
Current	1.36	1.39	1.29	1.31	1.53	1.82
Debt-to-asset	0.64	0.68	0.64	0.57	0.44	0.42
Debt-to-equity	1.81	2.13	1.80	1.31	0.78	0.73
Retained earnings-to-equity	36.23	27.88	51.30	40.09	31.96	18.33
Equity-to-assets	35.55	31.91	35.67	43.23	56.22	57.69
Adjusted equity-to-assets	68.09	60.11	73.91	82.41	87.31	84.92
Return-on-assets	8.02	8.07	7.64	8.31	9.87	5.78
Return-on-member-equity	28.19	28.68	32.77	25.47	21.85	9.86
Extra value index +2	10.34	10.76	9.73	10.28	10.55	4.47
Extra value index +5	8.30	8.95	7.52	7.80	7.93	1.92
Extra value index +10	4.89	5.95	3.82	3.68	3.56	-2.32

¹ Property, plant, and equipment

Table 10—Combined balance sheet data of cooperatives, 2011¹

Principal product(s) marketed and major function		Co-ops	Total assets	Total liabilities	Net worth
Products marketed	No.	<i>Billion dollars</i>			
Cotton	12	1.33	.88	.45	
Cotton ginning	154	.53	.23	.30	
Dairy	132	7.85	5.14	2.72	
Fish	38	.08	.05	.03	
Fruit & vegetable	145	4.53	3.04	1.49	
Grain & oilseed	521	21.02	14.55	6.48	
Livestock & poultry	74	.70	.45	.25	
Rice	12	.92	.58	.34	
Sugar	26	3.44	2.04	1.40	
Other marketing ²	108	1.76	.80	.96	
Total marketing	1,222	42.17	27.74	14.42	
Total supplies	935	35.88	22.69	13.19	
Total services	128	.45	.15	.30	
Total	2,285	78.50	50.59	27.91	

¹ Totals may not add due to rounding.

² Includes dry edible bean and pea, nut, tobacco, wool, cottonseed, and other marketing.

down 11 percent from \$692 million in 2010 (appendix figure 6). In 2002, refunds from other cooperatives totaled \$362 million, or 40 percent of net income before taxes. By 2011, refunds had fallen to 11 percent of net income before taxes.

Patronage refunds were a little less than 1 percent of sales for the smallest cooperatives, and fell to 0.1 percent for the largest (table 9). Most cotton ginning cooperatives had patronage refunds of at least 6 percent of sales. Livestock, fish, poultry, biofuels, nut, rice, tobacco, wool, medium and small sugar, storage, and hulling cooperatives received virtually no patronage refunds.

Non-Operating Income

Non-operating income is income not generated by sales. It could be interest from investments. It also could come from the sale of PP&E, rentals, and

Table 11—Cooperatives' net income before taxes, 2011¹

Principal product(s) marketed and major function		Co-ops	Income before taxes	Net operating margins	Patronage income ²
Products marketed	No.	<i>Million dollars</i>			
Cotton	12	101.7	100.3	1.4	
Cotton ginning	154	116.1	80.8	35.3	
Dairy	132	259.5	233.1	26.3	
Fish	38	9.1	9.1	.0	
Fruit & vegetable	145	502.3	484.1	18.2	
Grain & oilseed	521	1,167.9	942.9	225.0	
Livestock & poultry	74	62.4	60.9	1.5	
Rice	12	37.0	36.5	.6	
Sugar	26	188.2	186.4	1.7	
Other marketing ³	108	108.8	106.9	1.9	
Total marketing	1,222	2,553.0	2,240.9	312.1	
Total supplies	935	2,765.5	2,466.1	299.3	
Total services	128	56.8	55.5	1.2	
Total	2,285	5,375.2	4,762.5	612.7	

¹ Adjusted for losses and before taxes. Before-tax income is used in this table because historically, after-tax net income was not collected. Totals may not add due to rounding.

² Includes patronage refunds from CoBank.

³ Includes dry edible bean and pea, nuts, tobacco, wool, and other marketing.

extraordinary items. Sometimes PP&E are sold to generate income, but usually these types of assets are fully depreciated. When sold, if the market value is greater than the book value, income is generated. In some cases, disposal of a fully depreciated asset may mean a loss. Rental income from unused facilities or equipment provides income flows. Sales of extraordinary items might generate either a gain or a loss. A gain could result from a fire loss where the insurance settlement was greater than the book value. A loss might occur from flood damage for which the cooperative had no coverage. For all sizes of cooperatives, non-operating income averaged less than 1 percent of sales.

Net Income Before Taxes

Net income before taxes (NIBT) was \$5.4 billion, an increase of 26 percent from \$4.3 billion in 2010.

Figure 14—Cooperatives’ Net Income Before Taxes, 2002-2011

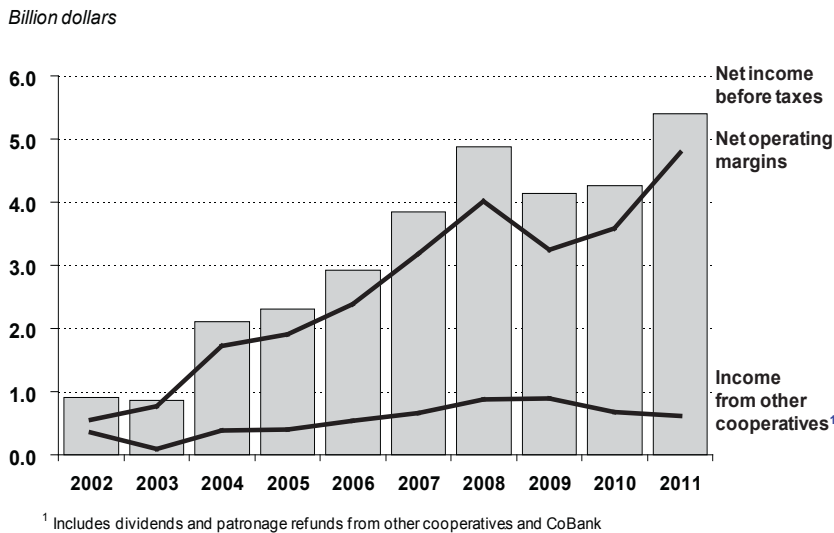
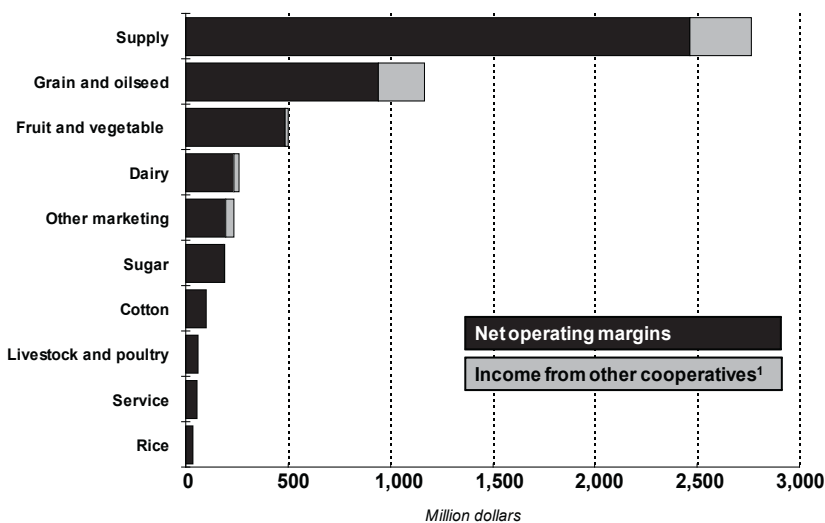


Figure 15—Before Taxes Net Income or Loss, by Type



Net income in 2011 was over four times the NIBT of \$1.2 billion in 2002 (appendix table 7 and figure 14).

Marketing cooperatives’ NIBT of \$2.6 billion was up 9 percent from the \$2.3 billion generated in 2010. Grain and oilseed, livestock and poultry, rice, and sugar cooperatives all had increases in net income before taxes.

Total NIBT of supply cooperatives was \$2.8 billion in 2011, almost \$1 billion more than the \$1.9

billion in 2010 (figure 15). Supply cooperatives accounted for 51 percent of cooperatives’ NIBT in 2011, up from 44 percent in 2010 (Appendix Figure 7).

Losses totaled \$124 million in 2011, a 26-percent decrease from the \$167 million in losses in 2010. Dairy cooperatives accounted for 48 percent of the losses in 2011 whereas supply cooperatives had 53 percent of the losses in 2010 (appendix figure 8). The number of cooperatives with losses declined from 245 to 237, a decrease of 3 percent.

Income Taxes

Cooperatives paid income taxes on earnings not allocated to members (retained earnings), and on dividend payments. Each cooperatives board determined what amounts of income were allocated to retained earnings and to members. Non-member business has an impact on retained earnings because cooperatives can allocate the earnings to non-members or retain the income. Cooperatives paid \$360 million in income taxes.

Net Income

Net income after taxes (net operating margins plus patronage refunds and non-operating income, minus taxes) was the highest for smaller cooperatives (4.7 percent), but fell to 2.2 percent for the largest cooperatives. All of the following cooperatives had net

incomes greater than 5 percent of sales: artificial insemination, cotton service, larger cotton ginning, large processed and fresh fruit and vegetable, large fish, large poultry, dry bean and pea, biofuels, rice drier, small transportation, storage, hulling, and fresh fruit and vegetable service cooperatives. Small supply, small grain and oilseed, most livestock, smaller fish, large nut, wool, most sugar, and dairy service cooperatives had net income relative to sales of less than 1 percent.

Selected Financial Ratios

Financial ratios express relationships between items in the balance sheet and income statements of a business operation. They help in analyzing a cooperative's economic and financial situation. Ratios can indicate problem areas, serve as guidelines for planning, and aid in formulating actions. However, ratio interpretation is largely subjective.

Nine financial ratios were used to measure cooperative performance or financial condition: the current ratio, debt-to-asset, debt-to-equity, retained earnings-to-total-equity, equity-to-assets, adjusted equity-to-assets, return-on-assets, return-on-member equity, and extra value index.

The formulas for these ratios are:

Current = current assets / current liabilities;

Debt-to-asset = debt / total assets (debt = all liabilities);

Debt-to-equity = (debt / total assets) / (equity / total assets);

Retained earnings-to-total-equity = retained earnings / total equity;

Equity-to-assets ratio = total equity / total assets;

Adjusted equity-to-assets ratio = total equity / (total assets - current liabilities);

Return-on-assets-before-interest-and-taxes = (NIBT + interest expense) / total assets;

Return-on-member-equity = net income / allocated equity;

Extra value index = net income after taxes – (total equity * (LIBOR 12 month maturity December average + X%)) / (total assets - current liabilities), where X=2 is a basic premium for risk; X=5 is a moderate level of risk; and X=10 is a high level of risk

Liquidity Ratio

The *current ratio* is a liquidity ratio—a measure of the cooperative's ability to meet short-term obligations. It focuses on the cooperative's ability to remain solvent. However, this ratio does not consider the degree of liquidity of each of the current asset components. If the current assets of a cooperative were mainly cash, they would be much more liquid than if comprised of mainly inventory.

If the ratio is less than one, current liabilities exceed current assets and the cooperative's liquidity is

threatened. Improvements can be achieved by selling additional capital stock, borrowing additional long-term debt or disposing of unproductive fixed assets and retaining proceeds. Current liabilities may also be reduced by retaining a greater portion of allocated savings (reducing the cash portion).

A high current ratio is a favorable condition financially because it indicates the ability to pay current liabilities from the conversion of current assets into cash. Operationally, this same high ratio tends to increase operating freedom and reduce the probability of bill-paying difficulty from write-downs of accounts receivable or inventory. The current ratios of six sizes of cooperatives are shown in table 9 (for all types and sizes, see appendix table 6). By size, the ratio is always less than, or equal to, 1.9, meaning current assets exceed current liabilities by 1.9 times, or less. If needed, these current assets could be sold to cover all short-term liabilities, and the cooperative would still have some liquid assets left. By type, the current ratio exceeds 2 for small artificial insemination, large poultry, large nut, small rice, tobacco, wool, small sugar, transportation, dairy service, and livestock cooperatives.

Leverage ratios

Leverage ratios look at the long-term solvency of the cooperative, and help analyze the use of debt and the ability to meet obligations in times of crisis. *Debt-to-asset-ratio* shows the proportion of debt used to finance assets. Reducing debt, increasing savings or financing a greater portion of assets with working capital may improve this ratio.

Generally, larger cooperatives relied on the use of more debt financing. Debt financing was used for at least 64 percent of assets owned by cooperatives with sales from \$100 million to \$500 million in sales, and rose to 68 percent for the largest cooperatives. Small artificial insemination, biofuels, and most service cooperatives used debt financing for about one-third of their assets.

Debt-to-equity-ratio shows the financial flexibility and the long-term capital structure of the cooperative. High ratios indicate inadequate borrowing power. A low ratio is more favorable and financially makes the cooperative more independent of outside sources of funds because owners' equity is available. A low ratio may indicate low return on equity. Operationally, a low ratio tends to reduce interest

cost. Improvement may be gained by disposing of unproductive assets, and using proceeds to liquidate debt, or accelerating payments on long-term loans. Cooperatives may also try increasing local equity by generating higher levels of net operating margins, slowing down equity retirement programs, selling additional capital stock or retaining more allocated savings.

As cooperative size increases, so does their use of debt. The ratio was 0.7 for the smallest cooperatives, climbing to 2 for the largest cooperatives. Artificial insemination, cotton ginning, small dairy, small fresh fruit and vegetable, smaller processed and fresh fruit and vegetable, large and small supply, mixed supply, poultry, biofuels, small rice, tobacco, small sugar, and most service cooperatives all had a ratio of less than 1.

The ratio of *retained earnings-to-total-equity* shows the use of retained earnings and allocated equity. Net income from non-member business is the usual source of retained earnings (unallocated equity). Operationally, the ratio can be improved by increasing equity or holding less retained earnings.

For all but the largest and smallest cooperatives, retained earnings-to-total-equity is greater than 30, meaning the cooperative has about one-third of total equity comprised of retained earnings. This ratio increases as cooperative size increases for all but the largest cooperatives, for which the leverage ratio is 28 percent. The smallest cooperatives have retained earnings of 18 percent relative to total equity. Small cotton, cotton service, cotton ginning, large dairy, large processed and fresh fruit and vegetable, middle livestock, small fish, large sugar, and some service cooperatives have lower retained-earnings-to-total-equity ratios.

Solvency Ratios

Solvency ratios look at the long-term solvency of the cooperative, and help analyze the use of equity and the ability to meet obligations in times of crisis. The ratio of *equity-to-assets* measures the use of equity to finance the cooperative, and can be considered a measure of solvency or financial strength of the cooperative. The ratio is the inverse of the previously described debt-to-asset ratio ($\text{equity-to-assets ratio} = 1 \text{ minus debt-to-asset ratio}$).

Smaller cooperatives are generally stronger financially, because they finance a larger proportion

of their assets with their own equity. The equity-to-assets ratio ranges from 58 for the smallest cooperatives to 36 for the largest. With an equity-to-assets ratio of 36, only about one third of a cooperative's assets are financed by equity, and almost two thirds is financed by debt. Small artificial insemination, most cotton ginning, small farm supply, biofuels, small rice, tobacco, small sugar, and most service cooperatives all have an equity-to-assets ratio in excess of 60.

Another measure of solvency or financial strength is shown by the *adjusted equity-to-assets ratio*, where total equity is divided by total assets, minus current liabilities. When current liabilities are subtracted from assets, the remainder is long-term debt and total equity, so the ratio shows the relative use of long-term debt and equity to finance the cooperative. A higher ratio indicates higher solvency or a greater use of equity to finance operations. Operationally, reducing long-term debt or increasing equity strengthens this ratio.

Small cooperatives have an adjusted equity-to-assets ratio of 85, but this ratio falls to 60 for the largest cooperatives, indicating that larger cooperatives use more long-term debt. Small artificial insemination, cotton service, larger cotton ginning, smaller dairy, small fresh fruit and vegetable, small fresh and processed fruit and vegetable, most supply, small mixed supply, middle-to-small size livestock, small poultry, dry bean and pea, biofuels, and many service cooperatives have an adjusted equity-to-assets ratio of at least 85.

Profitability Ratios

Profitability ratios indicate the efficiency of the cooperative's operations. Because a cooperative is owned by its user-members, many common industry profitability ratios have little meaning. For instance, profitability ratios measuring the return on common or preferred stock of similar investor-oriented firms are not appropriate because there is seldom an open market for cooperative stock.

Return-on-assets-before-interest-and-taxes measures the rate of return on total investment. This ratio is a measure of performance. It is not sensitive to the leverage position of the cooperative. Although some assets were financed through debt, the ratio measures return to both members and lenders.

Operationally, a high ratio tends to reduce inter-

est cost, and financially indicates a comparatively high rate of return on assets employed. This ratio rose from 6 for the smallest cooperatives to almost 10 for middle-size cooperatives, falling to 8 for the largest cooperatives. It is at least 20 for large cotton ginning, small sugar, storage, and hulling cooperatives.

Return-on-member-equity represents members' investment in their cooperative. It is an important measure of profitability. This ratio is sensitive to the amount of debt capital in the cooperative, and is best used in conjunction with other measures, such as the return on assets. Financially, a high ratio is favorable, and tends to decrease financial leverage. However, a high ratio may also be a symptom of insufficient investment. A high ratio tends to reduce interest cost over time but may occur when both total debt and interest costs are high.

By size of cooperative, the highest return-on-member-equity was over 32 percent for cooperatives with \$100 million to \$500 million in sales. The smallest cooperatives have higher proportions of member equity, and thus a lower ratio of 10. Small cotton, large cotton ginning, large processed and fresh fruit and vegetable, large supply, large mixed supply, large livestock, small sugar, storage, hulling, and fresh fruit and vegetable service cooperatives have a 45-percent or greater return-on-member-equity ratio.

Extra Value Index

The extra-value index (EVI) can help members evaluate their cooperative's performance because it provides a value for the opportunity cost of using equity capital [Liebrand]. A cooperative's equity capital is not openly traded in a stock market as is an investor-oriented firm, so it is hard for cooperative members to determine if management is increasing or decreasing the value of the cooperative. The EVI attempts to put a value on the opportunity cost of equity capital through the use of an interest charge on the equivalent to the amount the money (member equity capital) could have earned if used elsewhere. In other words, EVI evaluates cooperative performance by subtracting the opportunity cost of equity capital from the profitability ratio.

If the EVI index is positive, cooperative management has created value for members because the

cooperative's operations are covering the opportunity cost of member's equity capital. The converse is true if the EVI index is negative—member's investment in the cooperative is being diminished as the opportunity cost of member's equity capital is not being covered.

There are three values shown for EVI in table 9. The EVI+2 represents a basic rate by adding 200 basis points to the London Inter-Bank Offered Rate (LIBOR) 12 month maturity December average, which was 1.07 for December 2011. The basic LIBOR+2 rate represented in Table 9 as EVI+2 (3.07) reflects the rate that banks in the United States might make loans to firms with better than average credit ratings. EVI+5 (6.07) represents a moderate premium for risk or LIBOR rate plus 500 basis points while EVI +10 (11.07) is a higher premium for risk as it is LIBOR rate plus 1,000 basis points.

Smaller cooperatives, which generally have a larger proportion of equity relative to assets, have a lower EVI. For EVI+2, small cooperatives generated almost 4.5 cents of extra value for each \$1 of member equity investment. For the higher risk of EVI+10, smaller cooperatives had a negative return of 2 cents.

Small cotton, larger cotton ginning, small sugar, storage, and hulling cooperatives all had EVIs of at least 25 cents (Appendix Table 6). The EVI used in these tables was the same for all cooperatives. The LIBOR rate is a proxy for a cooperative's cost of capital, since the cooperative would know this value, and it could be plugged into the formula to generate its individual EVI.

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APPENDIX TABLES

Appendix Table 1—Number of cooperatives by major business activity, 2011-2007

Major business activity	2011	2010	2009	2008	2007
Products marketed:					
			<i>Number</i>		
Bean and pea (dry edible)	5	5	6	6	6
Cotton	12	12	12	12	12
Cotton ginning	154	157	166	176	187
Dairy	132	138	140	143	156
Fish	38	37	35	39	43
Fruit and vegetable	145	138	144	154	153
Grain and oilseed ¹	521	514	555	591	593
Livestock	64	59	57	58	57
Nut	18	18	16	16	16
Poultry ²	10	10	10	13	13
Rice	12	12	14	14	14
Sugar ³	26	28	31	31	32
Tobacco	6	8	9	11	11
Wool and mohair	53	54	57	62	63
Other marketing	26	25	25	28	29
Total marketing	1,222	1,215	1,277	1,354	1,385
Total supplies	935	974	992	1,011	1,094
Total services	128	125	121	110	116
Total	2,285	2,314	2,390	2,475	2,595

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

Appendix Table 2—Cooperative memberships, by major business activity, 2011-2007

Major business activity	2011	2010	2009	2008	2007
Products marketed:					
			<i>Thousands</i>		
Bean and pea (dry edible)	1.8	1.8	1.7	1.5	1.6
Cotton	25.4	28.2	29.2	32.1	41.5
Cotton ginning	26.7	25.4	25.7	27.2	26.6
Dairy	48.5	44.2	45.0	61.5	62.1
Fish	5.4	5.4	5.3	5.6	5.8
Fruit and vegetable	22.1	22.2	22.3	23.8	24.8
Grain and oilseed ¹	573.6	416.9	486.4	460.7	451.4
Livestock	73.7	75.4	73.3	76.1	78.2
Nut	9.7	15.7	15.2	15.3	15.4
Poultry ²	0.5	0.5	0.5	0.5	0.5
Rice	10.9	11.6	11.6	11.7	12.1
Sugar ³	8.7	10.0	10.9	10.8	11.5
Tobacco	11.9	65.0	65.1	65.3	66.2
Wool and mohair	9.6	9.6	9.9	10.0	10.1
Other marketing	6.5	6.4	6.5	6.7	6.0
Total marketing	834.9	738.3	808.5	808.8	813.9
Total supplies	1,406.6	1,463.2	1,392.9	1,508.8	1,604.6
Total services	39.1	37.9	37.5	36.2	40.2
Total	2,280.5	2,239.5	2,238.9	2,353.8	2,458.7

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

Appendix Table 3—Cooperatives' gross business volume, by type of cooperative, 2011-2007

Major business activity	2011	2010	2009	2008	2007
Products marketed:					
			<i>Billion \$</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.2	0.1
Cotton	4.1	2.4	2.4	2.9	2.7
Dairy	40.8	34.3	30.5	40.8	38.4
Fish	0.3	0.2	0.2	0.2	0.2
Fruit and vegetable	7.8	7.7	7.5	7.7	6.9
Grain and oilseed ¹	54.7	41.0	44.3	47.7	29.0
Livestock	4.4	3.6	3.1	3.3	3.4
Nut	0.9	0.9	0.8	0.8	0.8
Poultry ²	1.3	1.2	1.2	1.5	1.4
Rice	1.5	1.5	1.7	1.6	1.1
Sugar ³	5.7	5.0	4.6	4.9	4.9
Tobacco	0.3	0.2	0.2	0.1	0.1
Other marketing ⁴	6.3	4.8	4.8	6.5	5.2
Total marketing	128.0	103.0	101.4	118.2	94.1
Supplies purchased:					
Crop protectants	9.6	8.1	7.7	6.7	3.7
Feed	13.5	10.8	11.1	10.9	8.7
Fertilizer	14.7	11.1	12.2	12.7	7.7
Petroleum	31.0	24.6	23.3	30.6	22.0
Seed	4.8	4.3	3.9	3.5	2.8
Other supplies	7.4	5.0	4.8	6.1	4.9
Total supplies	80.9	63.8	63.0	70.5	49.8
Services and other income	4.5	4.9	4.9	4.7	4.1
Total	213.4	171.8	169.3	193.5	148.0

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Includes wool and mohair and other marketing.

Appendix Table 4—Cooperatives' net business volume, by type of cooperative, 2011-2007

Major business activity	2011	2010	2009	2008	2007
Products marketed:					
			<i>Billion dollars</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.2	0.1
Cotton	4.0	2.3	2.2	2.9	1.4
Dairy	39.1	31.1	27.6	39.1	36.0
Fish	0.3	0.2	0.2	0.2	0.2
Fruit and vegetable	5.6	5.5	5.4	5.4	4.3
Grain and oilseed ¹	53.9	40.5	43.8	46.6	28.5
Livestock	4.2	3.5	3.0	3.2	3.2
Nut	0.9	0.9	0.8	0.8	0.8
Poultry ²	1.3	1.2	1.2	1.5	1.4
Rice	1.5	1.5	1.7	1.6	1.1
Sugar ³	4.7	4.1	3.8	4.1	4.0
Tobacco	0.3	0.2	0.2	0.1	0.1
Other marketing ⁴	5.8	4.5	4.5	6.0	5.0
Total marketing	121.8	95.8	94.6	111.7	86.1
Supplies purchased:					
Crop protectants	6.5	5.6	5.5	4.5	3.2
Feed	10.5	8.6	8.8	9.4	7.5
Fertilizer	11.7	9.4	10.6	10.0	6.9
Petroleum	20.1	16.5	15.8	19.5	14.9
Seed	2.8	2.6	2.5	2.4	1.9
Other supplies	5.7	4.4	4.2	5.4	4.3
Total supplies	57.3	47.1	47.4	51.2	38.6
Services and other income	4.5	4.9	4.9	4.7	4.1
Total	183.6	147.8	146.9	167.6	128.8

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Includes wool and mohair and other marketing.

Appendix Table 5—Combined balance sheet data for cooperatives, 2002-2011

Year	Assets from own operations	Investments in other cooperatives ¹	Total assets	Total liabilities	Net worth
<i>Billion dollars</i>					
2002	41.14	5.52	46.66	27.48	19.19
2003	42.10	4.05	46.15	26.18	19.98
2004	39.25	4.73	43.97	25.18	18.79
2005	41.06	4.33	45.39	26.40	19.00
2006	44.36	3.66	48.02	28.17	19.85
2007	53.44	4.20	57.64	36.47	21.18
2008	65.61	4.29	69.89	46.77	23.12
2009	57.14	4.04	61.19	37.34	23.84
2010	60.66	4.39	65.04	39.06	25.98
2011	74.14	4.36	78.50	50.59	27.91
<i>Percent of total assets</i>					
2002	88.2	11.8	100.0	58.9	41.1
2003	91.2	8.8	100.0	56.7	43.3
2004	89.2	10.8	100.0	57.3	42.7
2005	90.5	9.5	100.0	58.1	41.9
2006	92.4	7.6	100.0	58.7	41.3
2007	92.7	7.3	100.0	63.3	36.7
2008	93.9	6.1	100.0	66.9	33.1
2009	93.4	6.6	100.0	61.0	39.0
2010	93.3	6.7	100.0	60.1	39.9
2011	94.4	5.6	100.0	64.4	35.6

¹ Includes investments in other cooperatives and CoBank, where applicable.

Appendix table 6—Common size analysis, by cooperative type and size, 2011

Type of cooperative	Artificial insemination		Cotton marketing		Cotton services
	≥ \$15 million	< \$15 million	≥ \$100 million	< \$100 million	
Cooperative sales size					all sizes
Balance sheet		<i>Percent of total assets</i>			
Current assets	53.54	68.59	79.12	61.51	54.84
Other assets	17.21	5.97	3.96	0.83	7.81
Investments	4.77	12.99	1.33	0.97	10.41
PP&E ¹ (net)	24.47	12.45	15.60	36.70	26.94
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	27.76	25.39	51.45	41.88	45.99
Total liabilities	42.32	33.09	67.03	58.28	53.65
Allocated equity	34.28	51.84	21.45	44.19	47.89
Retained earnings	23.40	15.07	11.52	-2.47	-1.54
Total equity	57.68	66.91	32.97	41.72	46.35
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		<i>Percent of service</i>	
Total sales	100.00	100.00	100.00	100.00	
Cost of goods sold	29.30	34.68	92.04	76.17	
Gross margin	70.70	65.32	7.96	23.83	
Service and other income	7.29	5.03	1.63	0.76	100.00
Gross revenue	78.00	70.35	9.59	24.60	100.00
Expenses					
Wages	38.99	40.15	2.60	3.73	20.88
Depreciation	3.41	2.04	0.53	1.33	3.27
Interest	0.44	0.00	0.97	1.38	2.78
Other	29.93	20.24	3.73	5.78	52.62
Total expenses	72.76	62.43	7.82	12.23	79.56
Net operating margins	5.23	7.93	1.77	12.37	20.44
Patronage income	0.20	0.68	0.02	0.20	0.52
Non-operating income	0.23	-1.20	-0.13	0.31	0.65
Net income before taxes	5.65	7.41	1.67	12.88	21.61
Taxes	0.63	0.52	0.04	0.22	0.00
Net income	5.02	6.89	1.63	12.66	21.61
Ratios		<i>Percent or number</i>			
Current	1.93	2.70	1.54	1.47	1.19
Debt-to-asset	0.42	0.33	0.67	0.58	0.54
Debt-to-equity	0.73	0.49	2.03	1.40	1.16
Retained earnings-to-equity	40.57	22.52	34.94	-5.93	-3.33
Equity-to-assets	57.68	66.91	32.97	41.72	46.35
Adjusted equity-to-assets	79.85	89.67	67.92	71.78	85.82
Return-on-assets	8.11	10.70	8.83	24.83	13.36
Return-on-member-equity	19.51	19.18	25.48	49.88	24.72
Extra value index +2	6.80	10.57	9.17	35.72	19.28
Extra value index +5	4.41	7.88	7.14	33.57	16.71
Extra value index +10	0.42	3.40	3.74	29.98	12.42

¹(Property, plant, and equipment)

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Cotton ginning			
	Cooperative sales size ≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	< \$1 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	45.19	40.61	41.57	37.37
Other assets	1.21	2.74	8.92	13.03
Investments	18.09	14.93	6.34	1.60
PP&E ¹ (net)	35.51	41.72	43.17	48.00
Total assets	100.00	100.00	100.00	100.00
Current liabilities	34.97	28.25	26.95	24.09
Total liabilities	46.23	38.17	41.96	38.08
Allocated equity	44.64	51.69	49.57	56.83
Retained earnings	9.14	10.14	8.47	5.09
Total equity	53.77	61.83	58.04	61.92
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	80.77	69.95	80.98	79.71
Gross margin	19.23	30.05	19.02	20.29
Service and other income	31.69	41.60	46.98	56.75
Gross revenue	50.92	71.65	66.01	77.04
Expenses				
Wages	11.66	17.97	18.60	31.77
Depreciation	3.63	5.19	5.55	9.65
Interest	0.89	0.71	1.44	1.16
Other	21.53	32.48	32.13	39.10
Total expenses	37.71	56.34	57.71	81.68
Net operating margins	13.21	15.31	8.29	-4.64
Patronage income	6.64	6.43	3.71	8.14
Non-operating income	1.01	1.11	0.53	1.31
Net income before taxes	20.86	22.85	12.53	4.81
Taxes	0.12	0.18	0.03	0.00
Net income	20.74	22.67	12.50	4.81
Ratios				
	<i>Percent or number</i>			
Current	1.29	1.44	1.54	1.55
Debt-to-asset	0.46	0.38	0.42	0.38
Debt-to-equity	0.86	0.62	0.72	0.61
Retained earnings-to-equity	17.00	16.40	14.60	8.22
Equity-to-assets	53.77	61.83	58.04	61.92
Adjusted equity-to-assets	82.69	86.18	79.46	81.57
Return-on-assets	28.31	24.41	12.52	3.37
Return-on-member-equity	60.49	45.43	22.60	4.78
Extra value index +2	38.98	30.09	12.90	1.07
Extra value index +5	36.50	27.50	10.51	-1.38
Extra value index +10	32.36	23.19	6.54	-5.45

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Dairy and dairy products				
	Cooperative sales size ≥ \$1 billion	\$500 million to \$1 billion	\$200 to \$500 million	\$50 to \$200 million	\$20 to \$50 million
Balance sheet					
			<i>Percent of total assets</i>		
Current assets	49.70	64.77	63.75	67.24	70.49
Other assets	24.07	4.26	2.75	1.32	3.18
Investments	1.12	1.18	2.29	10.06	8.55
PP&E ¹ (net)	25.10	29.80	31.21	21.38	17.78
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	43.20	39.79	36.47	51.90	65.20
Total liabilities	67.44	60.91	62.22	57.69	70.88
Allocated equity	28.01	35.80	24.19	29.59	23.66
Retained earnings	4.55	3.29	13.59	12.72	5.46
Total equity	32.56	39.09	37.78	42.31	29.12
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
			<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	94.28	89.43	93.08	94.93	95.26
Gross margin	5.72	10.57	6.92	5.07	4.74
Service and other income	0.31	0.44	0.03	0.69	1.68
Gross revenue	6.04	11.00	6.95	5.76	6.42
Expenses					
Wages	2.96	2.87	3.36	1.96	1.43
Depreciation	0.59	0.59	0.85	0.42	0.44
Interest	0.26	0.13	0.31	0.04	0.14
Other	1.69	6.16	1.33	2.74	4.32
Total expenses	5.49	9.75	5.85	5.16	6.33
Net operating margins	0.54	1.25	1.10	0.60	0.09
Patronage income	0.08	0.02	0.03	0.16	0.16
Non-operating income	-0.17	0.06	0.09	-0.13	0.16
Net income before taxes	0.45	1.33	1.21	0.63	0.42
Taxes	0.01	0.04	0.10	0.03	0.00
Net income	0.44	1.29	1.12	0.60	0.41
Ratios					
			<i>Percent or number</i>		
Current	1.15	1.63	1.75	1.30	1.08
Debt-to-asset	0.67	0.61	0.62	0.58	0.71
Debt-to-equity	2.07	1.56	1.65	1.36	2.43
Retained earnings-to-equity	13.97	8.41	35.97	30.06	18.74
Equity-to-assets	32.56	39.09	37.78	42.31	29.12
Adjusted equity-to-assets	57.33	64.92	59.47	87.96	83.68
Return-on-assets	3.33	7.88	5.29	4.37	5.57
Return-on-member-equity	7.42	19.44	16.09	13.13	17.50
Extra value index +2	1.90	9.57	4.30	5.37	9.33
Extra value index +5	0.18	7.62	2.52	2.74	6.82
Extra value index +10	-2.69	4.37	-0.46	-1.66	2.63

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Dairy and dairy products			
	Cooperative sales size \$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	65.13	59.14	68.92	63.23
Other assets	4.56	12.71	5.70	14.75
Investments	14.03	17.91	11.21	0.00
PP&E ¹ (net)	16.28	10.23	14.17	22.02
Total assets	100.00	100.00	100.00	100.00
Current liabilities	51.34	44.95	49.45	52.54
Total liabilities	59.31	46.50	55.37	62.85
Allocated equity	30.76	47.05	33.70	22.09
Retained earnings	9.93	6.45	10.94	15.06
Total equity	40.69	53.50	44.63	37.15
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	93.84	94.76	93.14	91.68
Gross margin	6.16	5.24	6.86	8.32
Service and other income	1.34	0.68	3.71	5.81
Gross revenue	7.50	5.93	10.57	14.13
Expenses				
Wages	1.92	2.00	3.31	4.92
Depreciation	0.35	0.24	0.56	1.00
Interest	0.18	0.07	0.26	0.61
Other	4.53	3.56	5.00	6.97
Total expenses	6.98	5.87	9.13	13.49
Net operating margins	0.52	0.06	1.44	0.64
Patronage income	0.26	0.28	0.23	0.05
Non-operating income	0.13	0.63	0.16	0.00
Net income before taxes	0.92	0.97	1.83	0.69
Taxes	0.00	0.00	0.01	0.00
Net income	0.92	0.97	1.82	0.69
Ratios	<i>Percent or number</i>			
Current	1.27	1.32	1.39	1.20
Debt-to-asset	0.59	0.46	0.55	0.63
Debt-to-equity	1.46	0.87	1.24	1.69
Retained earnings-to-equity	24.40	12.06	24.50	40.54
Equity-to-assets	40.69	53.50	44.63	37.15
Adjusted equity-to-assets	83.63	97.19	88.29	78.27
Return-on-assets	7.11	6.50	9.24	3.78
Return-on-member-equity	19.31	12.88	23.82	9.11
Extra value index +2	9.64	8.02	13.16	1.84
Extra value index +5	7.13	5.11	10.51	-0.51
Extra value index +10	2.95	0.25	6.10	-4.42

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Fruit and vegetable (fresh sales only)					
	Cooperative sales size ≥ \$50 million	\$20 to \$50 million	\$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	55.36	53.45	39.86	53.11	65.72	47.91
Other assets	6.26	7.08	11.62	7.84	12.09	9.90
Investments	2.87	6.01	4.62	6.04	0.01	0.00
PP&E ¹ (net)	35.51	33.47	43.90	33.02	22.18	42.19
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	43.00	41.08	31.59	39.31	41.46	34.67
Total liabilities	62.91	52.87	50.94	53.92	60.19	41.30
Allocated equity	21.19	21.47	35.14	33.45	26.68	17.22
Retained earnings	15.90	25.66	13.92	12.63	13.12	41.48
Total equity	37.09	47.13	49.06	46.08	39.81	58.70
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	78.30	74.64	76.82	78.58	84.69	87.49
Gross margin	21.70	25.36	23.18	21.42	15.31	12.51
Service and other income	2.26	4.87	4.16	5.79	22.85	17.26
Gross revenue	23.96	30.22	27.34	27.21	38.16	29.77
Expenses						
Wages	11.14	13.48	12.28	9.95	15.89	15.64
Depreciation	1.62	1.62	1.90	1.96	1.65	2.21
Interest	0.38	0.33	1.46	0.74	0.84	0.62
Other	8.50	12.38	11.07	12.66	16.67	11.72
Total expenses	21.64	27.81	26.71	25.31	35.05	30.20
Net operating margins	2.32	2.41	0.63	1.90	3.11	-0.43
Patronage income	0.07	0.13	0.70	0.32	0.01	0.00
Non-operating income	0.11	0.00	0.86	0.43	0.09	3.72
Net income before taxes	2.50	2.54	2.19	2.66	3.21	3.29
Taxes	0.18	0.14	0.04	0.02	0.03	0.00
Net income	2.32	2.40	2.15	2.63	3.19	3.29
Ratios						
	<i>Percent or number</i>					
Current	1.29	1.30	1.26	1.35	1.59	1.38
Debt-to-asset	0.63	0.53	0.51	0.54	0.60	0.41
Debt-to-equity	1.70	1.12	1.04	1.17	1.51	0.70
Retained earnings-to-equity	42.88	54.45	28.37	27.42	32.96	70.66
Equity-to-assets	37.09	47.13	49.06	46.08	39.81	58.70
Adjusted equity-to-assets	65.07	79.98	71.72	75.93	68.00	89.86
Return-on-assets	7.02	8.34	9.21	5.87	4.99	5.65
Return-on-member-equity	26.73	32.53	15.40	13.61	14.71	27.57
Extra value index +2	7.94	9.40	5.71	5.17	4.62	4.51
Extra value index +5	5.99	7.00	3.56	2.89	2.58	1.81
Extra value index +10	2.73	3.00	-0.03	-0.91	-0.82	-2.68

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Fruit and vegetable (processed and fresh sales)				
	Cooperative sales size ≥ \$500 million	\$250 to \$500 million	\$50 to \$150 million	\$10 to \$50 million	Less than \$6 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	54.30	66.82	77.77	50.32	71.04
Other assets	15.76	4.78	3.71	0.31	12.31
Investments	1.85	1.40	1.49	25.72	2.05
PP&E ¹ (net)	28.10	27.00	17.04	23.66	14.60
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	35.17	39.26	64.02	30.27	40.57
Total liabilities	72.05	64.86	72.81	33.87	52.40
Allocated equity	27.09	19.37	19.77	34.11	37.71
Retained earnings	0.86	15.77	7.43	32.02	9.89
Total equity	27.95	35.14	27.19	66.13	47.60
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	77.19	76.04	84.96	70.18	84.30
Gross margin	22.81	23.96	15.04	29.82	15.70
Service and other income	4.16	1.73	1.47	1.80	6.67
Gross revenue	26.97	25.68	16.51	31.62	22.37
Expenses					
Wages	8.39	15.15	6.36	13.13	10.51
Depreciation	2.33	2.15	0.87	1.66	0.72
Interest	0.60	1.36	0.89	0.45	0.55
Other	6.73	2.39	7.88	13.67	4.81
Total expenses	18.06	21.05	16.00	28.90	16.58
Net operating margins	8.90	4.63	0.51	2.72	5.79
Patronage income	0.05	0.02	1.99	0.72	0.01
Non-operating income	0.16	0.11	0.25	0.65	0.29
Net income before taxes	9.11	4.77	2.75	4.09	6.09
Taxes	-0.31	0.47	0.12	-0.27	0.00
Net income	9.42	4.30	2.64	4.36	6.09
Ratios					
	<i>Percent or number</i>				
Current	1.54	1.70	1.21	1.66	1.75
Debt-to-asset	0.72	0.65	0.73	0.34	0.52
Debt-to-equity	2.58	1.85	2.68	0.51	1.10
Retained earnings-to-equity	3.09	44.88	27.31	48.42	20.78
Equity-to-assets	27.95	35.14	27.19	66.13	47.60
Adjusted equity-to-assets	43.11	57.86	75.57	94.84	80.10
Return-on-assets	17.39	9.45	8.70	7.57	16.99
Return-on-member-equity	62.31	34.21	31.84	21.35	41.33
Extra value index +2	24.71	9.13	15.17	7.53	23.77
Extra value index +5	23.42	7.40	12.90	4.69	21.36
Extra value index +10	21.26	4.50	9.12	-0.05	17.36

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Supply (with 100% supply sales)					
	Cooperative sales size ≥ \$500 million	\$100 to \$400 million	\$50 to \$100 million	\$30 to \$50 million	\$25 to \$30 million	\$20 to \$25 million
Balance sheet						
			<i>Percent of total assets</i>			
Current assets	62.89	63.14	55.23	57.38	58.01	50.83
Other assets	10.14	4.80	1.91	3.77	1.64	4.00
Investments	9.43	10.34	20.88	16.54	16.39	19.58
PP&E ¹ (net)	17.54	21.72	21.99	22.30	23.96	25.60
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	41.26	46.02	35.82	41.18	41.48	35.54
Total liabilities	60.04	58.81	43.04	48.92	50.21	44.85
Allocated equity	16.96	24.58	30.54	32.27	29.41	30.88
Retained earnings	22.99	16.60	26.42	18.81	20.38	24.27
Total equity	39.96	41.19	56.96	51.08	49.79	55.15
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	93.58	84.73	86.69	85.72	86.61	85.03
Gross margin	6.42	15.27	13.31	14.28	13.39	14.97
Service and other income	0.76	1.44	1.63	1.88	2.16	3.43
Gross revenue	7.18	16.71	14.94	16.16	15.56	18.40
Expenses						
Wages	2.71	5.59	6.36	7.39	7.34	8.06
Depreciation	0.80	1.26	1.26	1.37	1.61	1.61
Interest	0.35	0.43	0.30	0.47	0.51	0.54
Other	1.04	6.75	4.73	5.49	4.54	6.10
Total expenses	4.90	14.02	12.65	14.72	14.00	16.32
Net operating margins	2.28	2.69	2.29	1.44	1.56	2.09
Patronage income	0.18	0.72	1.28	1.44	1.20	1.13
Non-operating income	0.96	0.33	0.71	1.10	0.10	0.99
Net income before taxes	3.42	3.74	4.29	3.98	2.86	4.20
Taxes	0.78	0.61	0.66	0.32	0.24	0.38
Net income	2.64	3.13	3.62	3.66	2.62	3.82
Ratios						
			<i>Percent or number</i>			
Current	1.52	1.37	1.54	1.39	1.40	1.43
Debt-to-asset	0.60	0.59	0.43	0.49	0.50	0.45
Debt-to-equity	1.50	1.43	0.76	0.96	1.01	0.81
Retained earnings-to-equity	57.55	40.32	46.38	36.82	40.94	44.01
Equity-to-assets	39.96	41.19	56.96	51.08	49.79	55.15
Adjusted equity-to-assets	68.03	76.29	88.75	86.83	85.08	85.56
Return-on-assets	12.19	9.19	10.32	9.01	7.25	8.48
Return-on-member-equity	50.22	28.12	26.72	22.94	19.17	22.15
Extra value index +2	12.41	10.46	9.99	9.92	7.02	7.98
Extra value index +5	10.37	8.17	7.33	7.31	4.47	5.42
Extra value index +10	6.97	4.36	2.89	2.97	0.21	1.14

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Supply (with 100% supply sales)					
	Cooperative sales size	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
		<i>Percent of total assets</i>				
Current assets	53.13	56.18	57.69	59.80	61.27	
Other assets	3.38	2.02	4.30	6.14	9.74	
Investments	22.22	21.28	15.86	14.48	9.95	
PP&E ¹ (net)	21.27	20.52	22.15	19.58	19.04	
Total assets	100.00	100.00	100.00	100.00	100.00	
Current liabilities	33.35	32.44	32.60	31.51	31.32	
Total liabilities	38.50	37.02	38.88	40.46	40.06	
Allocated equity	36.17	40.92	38.79	35.19	41.43	
Retained earnings	25.33	22.06	22.33	24.35	18.51	
Total equity	61.50	62.98	61.12	59.54	59.94	
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	
Income statement						
		<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00	
Cost of goods sold	86.18	85.92	85.22	84.93	85.10	
Gross margin	13.82	14.08	14.78	15.07	14.90	
Service and other income	2.11	3.20	2.73	3.52	9.86	
Gross revenue	15.93	17.28	17.51	18.58	24.77	
Expenses						
Wages	7.44	8.66	8.89	10.33	16.04	
Depreciation	1.55	1.45	1.34	1.40	1.22	
Interest	0.37	0.33	0.48	0.61	0.77	
Other	4.96	5.45	5.37	5.64	6.69	
Total expenses	14.32	15.88	16.08	17.97	24.72	
Net operating margins	1.61	1.39	1.43	0.61	0.05	
Patronage income	1.39	1.74	1.05	0.87	0.36	
Non-operating income	0.79	0.52	0.38	0.32	0.20	
Net income before taxes	3.79	3.65	2.86	1.80	0.61	
Taxes	0.30	0.24	0.23	0.10	0.05	
Net income	3.49	3.41	2.62	1.70	0.55	
Ratios						
		<i>Percent or number</i>				
Current	1.59	1.73	1.77	1.90	1.96	
Debt-to-asset	0.38	0.37	0.39	0.40	0.40	
Debt-to-equity	0.63	0.59	0.64	0.68	0.67	
Retained earnings-to-equity	41.19	35.03	36.53	40.90	30.87	
Equity-to-assets	61.50	62.98	61.12	59.54	59.94	
Adjusted equity-to-assets	92.27	93.23	90.68	86.94	87.27	
Return-on-assets	8.25	8.06	6.74	4.40	2.19	
Return-on-member-equity	19.16	16.87	13.64	8.79	2.12	
Extra value index +2	7.56	7.36	5.06	1.85	-1.40	
Extra value index +5	4.79	4.56	2.34	-0.76	-4.02	
Extra value index +10	0.18	-0.10	-2.19	-5.11	-8.38	

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$200 to \$850 million	\$100 to \$200 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	71.63	62.08	60.71	58.95
Other assets	1.68	4.02	1.65	2.66
Investments	10.85	15.02	14.23	17.18
PP&E ¹ (net)	15.85	18.88	23.40	21.21
Total assets	100.00	100.00	100.00	100.00
Current liabilities	55.90	47.22	43.98	44.21
Total liabilities	65.95	57.36	53.63	53.05
Allocated equity	18.07	17.11	25.44	27.66
Retained earnings	15.98	25.54	20.92	19.29
Total equity	34.05	42.64	46.37	46.95
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	90.05	89.27	86.92	88.35
Gross margin	9.95	10.73	13.08	11.65
Service and other income	2.20	2.54	3.10	2.32
Gross revenue	12.15	13.28	16.18	13.97
Expenses				
Wages	5.33	5.66	6.94	6.46
Depreciation	1.10	1.27	1.46	1.29
Interest	0.51	0.48	0.51	0.57
Other	3.76	4.45	5.21	4.44
Total expenses	10.69	11.86	14.12	12.76
Net operating margins	1.46	1.42	2.06	1.21
Patronage income	0.61	1.10	1.01	1.13
Non-operating income	0.96	0.48	0.31	0.35
Net income before taxes	3.03	3.00	3.39	2.69
Taxes	0.43	0.44	0.36	0.21
Net income	2.60	2.56	3.02	2.47
Ratios	<i>Percent or number</i>			
Current	1.28	1.31	1.38	1.33
Debt-to-asset	0.66	0.57	0.54	0.53
Debt-to-equity	1.94	1.35	1.16	1.13
Retained earnings-to-equity	46.94	59.88	45.12	41.08
Equity-to-assets	34.05	42.64	46.37	46.95
Adjusted equity-to-assets	77.23	80.79	82.77	84.16
Return-on-assets	8.56	7.88	8.74	7.51
Return-on-member-equity	34.74	33.93	26.66	20.59
Extra value index +2	11.86	8.52	9.57	7.63
Extra value index +5	9.55	6.09	7.08	5.10
Extra value index +10	5.69	2.05	2.95	0.89

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$20 to \$30 million	\$10 to \$20 million	\$5 to \$10 million	Less than \$5 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	61.40	55.30	61.69	58.76
Other assets	2.78	3.94	2.71	9.28
Investments	11.90	19.52	14.50	8.20
PP&E ¹ (net)	23.91	21.24	21.10	23.76
Total assets	100.00	100.00	100.00	100.00
Current liabilities	39.89	34.36	36.00	42.86
Total liabilities	51.33	40.35	41.50	51.83
Allocated equity	28.97	30.80	33.87	27.17
Retained earnings	19.71	28.85	24.62	21.00
Total equity	48.67	59.65	58.50	48.17
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	88.69	88.03	88.47	83.94
Gross margin	11.31	11.97	11.53	16.06
Service and other income	4.89	5.44	3.86	6.86
Gross revenue	16.20	17.41	15.39	22.92
Expenses				
Wages	7.42	7.46	7.39	11.40
Depreciation	1.41	1.69	1.23	2.10
Interest	0.63	0.44	0.42	1.21
Other	5.39	5.43	5.04	7.97
Total expenses	14.85	15.02	14.07	22.68
Net operating margins	1.35	2.39	1.32	0.24
Patronage income	0.93	0.93	1.01	0.56
Non-operating income	0.70	1.46	0.46	0.71
Net income before taxes	2.98	4.78	2.79	1.50
Taxes	0.22	0.52	0.31	0.16
Net income	2.76	4.26	2.48	1.34
Ratios				
	<i>Percent or number</i>			
Current	1.54	1.61	1.71	1.37
Debt-to-asset	0.51	0.40	0.42	0.52
Debt-to-equity	1.05	0.68	0.71	1.08
Retained earnings-to-equity	40.49	48.36	42.09	43.59
Equity-to-assets	48.67	59.65	58.50	48.17
Adjusted equity-to-assets	80.98	90.88	91.40	84.30
Return-on-assets	7.62	9.32	7.53	2.93
Return-on-member-equity	20.10	24.66	17.19	5.31
Extra value index +2	7.20	8.78	6.29	-0.06
Extra value index +5	4.77	6.05	3.55	-2.59
Extra value index +10	0.72	1.51	-1.02	-6.81

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)**Type of cooperative Mixed grain and oilseed marketing (with 49% to 25% supply sales)**

Cooperative sales size	≥ \$225 million	\$100 to \$225 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	67.49	70.65	69.33	71.63
Other assets	5.22	0.95	1.50	1.48
Investments	8.83	9.30	9.84	8.71
PP&E ¹ (net)	18.46	19.10	19.32	18.18
Total assets	100.00	100.00	100.00	100.00
Current liabilities	53.87	57.60	55.93	58.31
Total liabilities	69.78	68.44	65.26	65.73
Allocated equity	13.34	14.78	21.31	21.21
Retained earnings	16.88	16.77	13.43	13.06
Total equity	30.22	31.56	34.74	34.27
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	92.41	92.25	91.62	91.87
Gross margin	7.59	7.75	8.38	8.13
Service and other income	2.83	2.82	2.98	2.81
Gross revenue	10.42	10.58	11.35	10.94
Expenses				
Wages	3.36	3.57	4.00	3.87
Depreciation	1.13	0.99	1.17	1.34
Interest	0.88	0.60	0.62	0.67
Other	3.57	3.13	3.60	3.30
Total expenses	8.94	8.29	9.40	9.18
Net operating margins	1.49	2.29	1.96	1.76
Patronage income	0.51	0.61	0.79	0.60
Non-operating income	0.30	0.17	0.14	0.48
Net income before taxes	2.30	3.07	2.88	2.85
Taxes	0.21	0.17	0.14	0.14
Net income	2.09	2.91	2.74	2.71
Ratios				
	<i>Percent or number</i>			
Current	1.25	1.23	1.24	1.23
Debt-to-asset	0.70	0.68	0.65	0.66
Debt-to-equity	2.31	2.17	1.88	1.92
Retained earnings-to-equity	55.86	53.15	38.67	38.11
Equity-to-assets	30.22	31.56	34.74	34.27
Adjusted equity-to-assets	65.52	74.42	78.82	82.20
Return-on-assets	6.66	8.20	7.26	7.04
Return-on-member-equity	32.86	43.87	26.66	25.58
Extra value index +2	7.49	13.01	10.47	10.49
Extra value index +5	5.53	10.78	8.10	8.02
Extra value index +10	2.25	7.05	4.16	3.91

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Mixed grain and oilseed marketing (with 49% to 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	67.10	68.59	66.96	69.58	63.91
Other assets	6.65	2.83	3.38	4.45	9.88
Investments	6.92	7.71	8.38	5.84	4.85
PP&E ¹ (net)	19.33	20.87	21.28	20.13	21.36
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	54.71	51.42	49.35	51.23	40.62
Total liabilities	62.73	59.34	57.20	58.58	49.56
Allocated equity	20.45	22.59	22.99	23.49	32.87
Retained earnings	16.82	18.08	19.81	17.93	17.57
Total equity	37.27	40.66	42.80	41.42	50.44
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	92.04	92.16	92.65	92.07	90.12
Gross margin	7.96	7.84	7.35	7.93	9.88
Service and other income	2.95	3.30	3.42	4.27	4.56
Gross revenue	10.90	11.13	10.77	12.19	14.44
Expenses					
Wages	4.04	4.37	4.58	4.55	6.71
Depreciation	1.18	1.20	1.18	1.24	1.39
Interest	0.51	0.51	0.55	0.58	0.60
Other	3.26	3.63	3.70	4.63	4.45
Total expenses	8.99	9.71	10.01	11.00	13.15
Net operating margins	1.91	1.42	0.76	1.19	1.29
Patronage income	0.47	0.40	0.47	0.21	0.15
Non-operating income	0.38	0.30	0.24	0.11	0.14
Net income before taxes	2.77	2.12	1.47	1.51	1.57
Taxes	0.11	0.09	0.05	0.05	-0.03
Net income	2.65	2.03	1.42	1.46	1.60
Ratios					
	<i>Percent or number</i>				
Current	1.23	1.33	1.36	1.36	1.57
Debt-to-asset	0.63	0.59	0.57	0.59	0.50
Debt-to-equity	1.68	1.46	1.34	1.41	0.98
Retained earnings-to-equity	45.12	44.45	46.28	43.29	34.83
Equity-to-assets	37.27	40.66	42.80	41.42	50.44
Adjusted equity-to-assets	82.31	83.71	84.50	84.91	84.94
Return-on-assets	7.46	6.38	5.05	4.74	3.97
Return-on-member-equity	29.51	21.81	15.42	14.03	8.90
Extra value index +2	10.80	7.57	4.41	4.15	2.32
Extra value index +5	8.33	5.06	1.87	1.60	-0.23
Extra value index +10	4.22	0.88	-2.36	-2.64	-4.48

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)**Type of cooperative Grain and oilseed marketing (with less than 25% supply sales)**

Cooperative sales size	≥\$300 million	\$100 to \$300 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	74.11	75.50	73.61	73.10
Other assets	2.34	1.31	1.64	2.72
Investments	5.70	5.70	4.73	4.87
PP&E ¹ (net)	17.85	17.49	20.03	19.31
Total assets	100.00	100.00	100.00	100.00
Current liabilities	60.95	61.19	59.84	59.99
Total liabilities	72.40	70.85	70.62	68.24
Allocated equity	13.16	15.22	13.98	16.75
Retained earnings	14.44	13.93	15.39	15.01
Total equity	27.60	29.15	29.38	31.76
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	92.58	93.85	93.68	94.56
Gross margin	7.42	6.15	6.32	5.44
Service and other income	1.87	2.24	2.26	1.93
Gross revenue	9.29	8.39	8.58	7.38
Expenses				
Wages	3.18	2.40	2.38	2.17
Depreciation	0.76	0.73	0.88	0.80
Interest	0.68	0.62	0.61	0.47
Other	3.02	2.35	2.61	2.21
Total expenses	7.64	6.09	6.48	5.65
Net operating margins	1.65	2.30	2.11	1.73
Patronage income	0.31	0.44	0.35	0.32
Non-operating income	0.12	-0.01	0.17	0.15
Net income before taxes	2.08	2.72	2.62	2.21
Taxes	0.19	0.20	0.25	0.10
Net income	1.90	2.52	2.37	2.11
Ratios				
	<i>Percent or number</i>			
Current	1.22	1.23	1.23	1.22
Debt-to-asset	0.72	0.71	0.71	0.68
Debt-to-equity	2.62	2.43	2.40	2.15
Retained earnings-to-equity	52.32	47.80	52.40	47.26
Equity-to-assets	27.60	29.15	29.38	31.76
Adjusted equity-to-assets	70.69	75.12	73.15	79.38
Return-on-assets	6.97	7.79	7.30	7.37
Return-on-member-equity	36.38	38.65	38.39	34.62
Extra value index +2	10.09	12.85	11.12	12.06
Extra value index +5	7.97	10.60	8.93	9.68
Extra value index +10	4.44	6.84	5.27	5.71

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Grain and oilseed marketing (with less than 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	71.32	71.22	72.61	63.81	64.59
Other assets	1.42	0.61	0.63	5.28	7.71
Investments	5.47	5.85	5.84	5.23	6.68
PP&E ¹ (net)	21.79	22.32	20.92	25.67	21.02
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	55.67	52.62	52.47	38.80	43.12
Total liabilities	64.20	62.37	59.65	50.05	53.90
Allocated equity	16.44	17.45	22.18	27.14	34.87
Retained earnings	19.36	20.18	18.17	22.81	11.23
Total equity	35.80	37.63	40.35	49.95	46.10
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	93.91	94.65	93.09	93.07	92.63
Gross margin	6.09	5.35	6.91	6.93	7.37
Service and other income	2.32	2.16	2.40	2.07	7.49
Gross revenue	8.41	7.51	9.31	9.01	14.86
Expenses					
Wages	2.25	2.23	2.77	3.23	5.59
Depreciation	0.96	0.77	0.88	0.90	1.07
Interest	0.58	0.52	0.32	0.37	0.59
Other	2.02	2.31	3.13	2.87	7.17
Total expenses	5.81	5.84	7.10	7.36	14.41
Net operating margins	2.60	1.67	2.21	1.65	0.45
Patronage income	0.32	0.23	0.49	0.06	0.45
Non-operating income	0.19	0.30	0.61	0.10	0.03
Net income before taxes	3.12	2.20	3.31	1.81	0.92
Taxes	0.27	0.14	0.08	0.13	0.03
Net income	2.85	2.06	3.23	1.67	0.90
Ratios					
	<i>Percent or number</i>				
Current	1.28	1.35	1.38	1.64	1.50
Debt-to-asset	0.64	0.62	0.60	0.50	0.54
Debt-to-equity	1.79	1.66	1.48	1.00	1.17
Retained earnings-to-equity	54.08	53.62	45.03	45.66	24.35
Equity-to-assets	35.80	37.63	40.35	49.95	46.10
Adjusted equity-to-assets	80.76	79.44	84.89	81.61	81.04
Return-on-assets	9.00	7.58	8.52	6.91	3.70
Return-on-member-equity	42.21	32.80	34.15	19.58	6.31
Extra value index +2	13.17	9.65	13.33	6.17	1.38
Extra value index +5	10.75	7.26	10.78	3.73	-1.05
Extra value index +10	6.71	3.29	6.54	-0.35	-5.10

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Fish marketing				Poultry marketing	
	≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million	≥ \$50 million	< \$50 million
Balance sheet						
Cooperative sales size	≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million	≥ \$50 million	< \$50 million
			<i>Percent of total assets</i>			
Current assets	58.75	62.18	54.15	46.63	60.51	60.49
Other assets	9.20	7.73	0.33	0.47	9.79	13.57
Investments	0.04	0.00	0.00	0.00	1.21	0.26
PP&E ¹ (net)	32.01	30.09	45.52	52.90	28.49	25.68
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	45.23	49.45	37.16	35.18	30.04	36.58
Total liabilities	57.69	66.35	54.08	60.32	42.83	45.41
Allocated equity	31.66	17.01	27.25	38.24	17.59	26.22
Retained earnings	10.66	16.64	18.67	1.43	39.58	28.38
Total equity	42.31	33.65	45.92	39.68	57.17	54.59
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	75.09	82.29	83.86	86.63	84.40	76.63
Gross margin	24.91	17.71	16.14	13.37	15.60	23.37
Service and other income	3.41	0.40	0.39	3.21	0.00	2.77
Gross revenue	28.32	18.10	16.54	16.58	15.60	26.14
Expenses						
Wages	13.35	3.08	6.95	7.92	6.23	14.37
Depreciation	1.80	0.71	0.86	0.90	1.05	1.21
Interest	0.68	0.25	0.36	0.48	0.40	0.16
Other	7.46	13.52	6.47	7.29	2.94	8.22
Total expenses	23.28	17.56	14.65	16.59	10.62	23.95
Net operating margins	5.04	0.54	1.89	-0.01	4.98	2.18
Patronage income	0.00	0.02	0.02	0.09	0.03	0.11
Non-operating income	0.37	0.03	0.07	0.02	0.40	0.00
Net income before taxes	5.40	0.59	1.98	0.10	5.41	2.30
Taxes	-0.03	0.04	0.02	0.00	-0.21	0.15
Net income	5.44	0.56	1.96	0.10	5.62	2.15
Ratios						
			<i>Percent or number</i>			
Current	1.30	1.26	1.46	1.33	2.01	1.65
Debt-to-asset	0.58	0.66	0.54	0.60	0.43	0.45
Debt-to-equity	1.36	1.97	1.18	1.52	0.75	0.83
Retained earnings-to-equity	25.18	49.45	40.66	3.61	69.23	51.98
Equity-to-assets	42.31	33.65	45.92	39.68	57.17	54.59
Adjusted equity-to-assets	77.25	66.57	73.07	61.20	81.72	86.08
Return-on-assets	13.85	4.15	17.58	1.41	18.85	5.11
Return-on-member-equity	39.08	16.15	54.02	0.62	103.65	17.04
Extra value index +2	20.21	3.39	21.18	-1.51	23.55	4.40
Extra value index +5	17.90	1.39	18.99	-3.35	21.10	1.82
Extra value index +10	14.04	-1.94	15.33	-6.41	17.02	-2.49

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Livestock marketing					
	Cooperative sales size ≥ \$250 million	\$50 to \$75 million	\$10 to \$50 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	88.34	89.58	59.11	52.32	49.63	63.47
Other assets	0.78	2.29	15.96	21.76	23.23	14.49
Investments	3.90	1.44	0.00	1.29	2.05	0.00
PP&E ¹ (net)	6.97	6.69	24.93	24.63	25.09	22.04
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	74.12	71.31	51.76	39.19	46.67	50.29
Total liabilities	81.84	79.00	67.59	44.49	52.70	60.24
Allocated equity	10.87	15.58	90.98	20.34	21.73	32.09
Retained earnings	7.29	5.42	-58.57	35.17	25.56	7.67
Total equity	18.16	21.00	32.41	55.51	47.30	39.76
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	99.42	95.63	95.39	93.20	92.08	88.56
Gross margin	0.58	4.37	4.61	6.80	7.92	11.44
Service and other income	0.85	2.44	7.03	3.39	3.59	9.98
Gross revenue	1.43	6.82	11.64	10.19	11.51	21.42
Expenses						
Wages	0.71	1.50	5.46	4.03	3.67	12.10
Depreciation	0.05	0.29	1.14	0.97	0.81	1.12
Interest	0.06	0.51	0.90	0.28	0.38	0.52
Other	0.50	1.26	3.86	4.33	5.66	9.79
Total expenses	1.32	3.56	11.36	9.60	10.52	23.52
Net operating margins	0.11	3.26	0.28	0.58	0.99	-2.10
Patronage income	0.03	0.01	0.00	0.00	0.00	0.00
Non-operating income	0.04	-0.06	0.00	0.06	0.00	0.81
Net income before taxes	0.18	3.22	0.28	0.65	0.99	-1.29
Taxes	0.01	0.16	0.00	0.03	0.00	-0.10
Net income	0.18	3.06	0.28	0.61	0.99	-1.19
Ratios						
	<i>Percent or number</i>					
Current	1.19	1.26	1.14	1.33	1.06	1.26
Debt-to-asset	0.82	0.79	0.68	0.44	0.53	0.60
Debt-to-equity	4.51	3.76	2.09	0.80	1.11	1.51
Retained earnings-to-equity	40.13	25.79	-180.74	63.35	54.05	19.30
Equity-to-assets	18.16	21.00	32.41	55.51	47.30	39.76
Adjusted equity-to-assets	70.16	73.18	67.19	91.29	88.68	79.99
Return-on-assets	3.68	9.19	3.18	5.41	6.85	-0.69
Return-on-member-equity	25.11	48.29	0.83	17.64	22.67	-3.30
Extra value index +2	8.39	23.98	-0.50	3.10	6.52	-4.59
Extra value index +5	6.29	21.79	-2.52	0.36	3.86	-6.99
Extra value index +10	2.78	18.13	-5.88	-4.20	-0.58	-10.99

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Dry bean and pea marketing	Nut marketing		Biofuels
Cooperative sales size	All sizes	≥ \$10 million	< \$10 million	All sizes
Balance sheet				
		<i>Percent of total assets</i>		
Current assets	82.41	67.25	40.59	39.19
Other assets	0.14	3.36	3.28	8.53
Investments	3.20	1.43	0.16	4.03
PP&E ¹ (net)	14.25	27.95	55.97	48.25
Total assets	100.00	100.00	100.00	100.00
Current liabilities	71.01	28.87	29.13	21.65
Total liabilities	74.86	68.48	62.61	29.89
Allocated equity	20.72	19.36	32.06	41.25
Retained earnings	4.42	12.16	5.33	28.86
Total equity	25.14	31.52	37.39	70.11
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	87.11	87.89	63.62	87.75
Gross margin	12.89	12.11	36.38	12.25
Service and other income	1.64	0.07	20.01	0.30
Gross revenue	14.53	12.19	56.39	12.56
Expenses				
Wages	5.61	2.69	19.35	2.13
Depreciation	1.47	0.87	11.28	3.22
Interest	0.41	0.66	3.03	0.24
Other	3.99	7.18	20.87	1.78
Total expenses	11.49	11.40	54.54	7.37
Net operating margins	3.05	0.79	1.85	5.18
Patronage income	0.35	0.08	0.02	0.01
Non-operating income	2.38	0.25	0.11	2.47
Net income before taxes	5.78	1.12	1.98	7.66
Taxes	0.12	0.22	0.06	-0.03
Net income	5.65	0.91	1.92	7.70
Ratios				
		<i>Percent or number</i>		
Current	1.16	2.33	1.39	1.81
Debt-to-asset	0.75	0.68	0.63	0.30
Debt-to-equity	2.98	2.17	1.67	0.43
Retained earnings-to-equity	17.56	38.58	14.25	41.16
Equity-to-assets	25.14	31.52	37.39	70.11
Adjusted equity-to-assets	86.72	44.32	52.76	89.49
Return-on-assets	7.71	5.08	3.72	17.61
Return-on-member-equity	33.97	13.37	4.45	41.59
Extra value index +2	21.62	2.28	0.39	19.15
Extra value index +5	19.02	0.95	-1.19	16.46
Extra value index +10	14.68	-1.27	-3.83	11.99

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Rice marketing		Tobacco marketing	Wool marketing
Cooperative sales size	≥ \$50 million	< \$20 million	All sizes	All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	66.87	50.71	69.41	46.74
Other assets	4.93	33.10	24.18	35.79
Investments	1.15	0.79	0.00	0.40
PP&E ¹ (net)	27.05	15.39	6.40	17.07
Total assets	100.00	100.00	100.00	100.00
Current liabilities	46.68	19.59	27.72	21.18
Total liabilities	62.81	38.15	28.61	40.15
Allocated equity	21.75	48.44	13.93	41.47
Retained earnings	15.43	13.42	57.46	18.37
Total equity	37.19	61.85	71.39	59.85
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	75.86	94.36	92.39	79.13
Gross margin	24.14	5.64	7.61	20.87
Service and other income	1.05	4.88	0.42	5.66
Gross revenue	25.19	10.52	8.03	26.54
Expenses				
Wages	9.40	3.25	2.14	8.56
Depreciation	1.82	0.37	0.32	0.87
Interest	0.76	0.13	0.57	0.04
Other	12.86	5.81	3.67	17.74
Total expenses	24.83	9.56	6.70	27.21
Net operating margins	0.36	0.96	1.34	-0.67
Patronage income	0.03	0.03	0.00	0.00
Non-operating income	1.51	0.59	2.73	0.31
Net income before taxes	1.90	1.58	4.07	-0.36
Taxes	0.51	0.08	0.57	0.00
Net income	1.39	1.50	3.50	-0.36
Ratios		<i>Percent or number</i>		
Current	1.43	2.59	2.50	2.21
Debt-to-asset	0.63	0.38	0.29	0.40
Debt-to-equity	1.69	0.62	0.40	0.67
Retained earnings-to-equity	41.50	21.69	80.49	30.70
Equity-to-assets	37.19	61.85	71.39	59.85
Adjusted equity-to-assets	69.75	76.93	98.77	75.93
Return-on-assets	5.59	7.59	2.13	-0.24
Return-on-member-equity	13.42	13.79	11.52	-0.65
Extra value index +2	3.33	5.95	-0.81	-2.67
Extra value index +5	1.24	3.64	-3.78	-4.95
Extra value index +10	-2.25	-0.21	-8.71	-8.75

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Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Sugar marketing			
	Cooperative sales size ≥ \$300 million	\$100 to \$300 million	\$30 to \$100 million	Less than \$20 million
Balance sheet		<i>Percent of total assets</i>		
Current assets	43.30	38.29	26.41	72.68
Other assets	14.82	48.12	2.39	10.96
Investments	0.87	0.48	3.97	0.00
PP&E ¹ (net)	41.02	13.11	67.23	16.36
Total assets	100.00	100.00	100.00	100.00
Current liabilities	38.51	35.41	19.95	35.45
Total liabilities	63.44	46.71	37.63	42.96
Allocated equity	39.12	7.91	53.00	46.54
Retained earnings	-2.56	45.38	9.37	10.49
Total equity	36.56	53.29	62.37	57.04
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	80.51	84.55	66.26	95.69
Gross margin	19.49	15.45	33.74	4.31
Service and other income	1.43	0.12	0.26	2.86
Gross revenue	20.93	15.58	34.01	7.17
Expenses				
Wages	9.25	5.45	9.92	0.39
Depreciation	2.69	1.06	2.76	0.05
Interest	0.71	0.27	0.84	0.02
Other	4.71	7.42	17.80	5.98
Total expenses	17.36	14.20	31.32	6.46
Net operating margins	3.57	1.38	2.69	0.72
Patronage income	0.03	0.00	0.08	0.00
Non-operating income	0.03	0.00	0.17	0.03
Net income before taxes	3.64	1.38	2.94	0.75
Taxes	0.24	0.58	0.08	0.00
Net income	3.40	0.81	2.86	0.75
Ratios		<i>Percent or number</i>		
Current	1.12	1.08	1.32	2.05
Debt-to-asset	0.63	0.47	0.38	0.43
Debt-to-equity	1.74	0.88	0.60	0.75
Retained earnings-to-equity	-6.99	85.16	15.02	18.40
Equity-to-assets	36.56	53.29	62.37	57.04
Adjusted equity-to-assets	59.45	82.50	77.92	88.36
Return-on-assets	7.50	2.32	5.74	23.35
Return-on-member-equity	14.98	14.30	8.20	48.63
Extra value index +2	7.70	-0.78	3.04	32.35
Extra value index +5	5.92	-3.26	0.70	29.70
Extra value index +10	2.95	-7.38	-3.20	25.28

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Rice drier	Transportation		Storage
Cooperative sales size	All sizes	≥ \$1 million	< \$ 1 million	All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	38.77	42.13	53.00	64.86
Other assets	3.05	0.74	3.65	0.04
Investments	0.19	3.05	2.15	0.00
PP&E ¹ (net)	57.99	54.07	41.21	35.10
Total assets	100.00	100.00	100.00	100.00
Current liabilities	23.55	23.13	15.88	22.48
Total liabilities	40.69	24.89	19.07	27.22
Allocated equity	53.90	59.02	74.06	67.61
Retained earnings	5.41	16.09	6.87	5.17
Total equity	59.31	75.11	80.93	72.78
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00
Expenses				
Wages	24.88	31.79	33.80	14.52
Depreciation	8.02	7.38	7.48	6.15
Interest	1.88	0.19	0.26	0.00
Other	42.57	57.92	46.18	26.61
Total expenses	77.36	97.28	87.71	47.29
Net operating margins	22.64	2.72	12.29	52.71
Patronage income	0.23	0.24	0.11	0.00
Non-operating income	0.07	0.38	0.25	2.22
Net income before taxes	22.94	3.34	12.65	54.93
Taxes	-0.09	0.09	0.01	0.78
Net income	23.03	3.25	12.64	54.14
Ratios		<i>Percent or number</i>		
Current	1.65	1.82	3.34	2.89
Debt-to-asset	0.41	0.25	0.19	0.27
Debt-to-equity	0.69	0.33	0.24	0.37
Retained earnings-to-equity	9.11	21.43	8.49	7.11
Equity-to-assets	59.31	75.11	80.93	72.78
Adjusted equity-to-assets	77.58	97.70	96.21	93.89
Return-on-assets	14.19	9.74	11.24	37.40
Return-on-member-equity	24.42	15.18	14.86	54.53
Extra value index +2	14.84	8.65	10.13	44.67
Extra value index +5	12.51	5.72	7.24	41.86
Extra value index +10	8.63	0.84	2.43	37.16

Appendix table 6—Common size analysis, by cooperative type and size, 2011 (continued)

Type of cooperative	Hulling	Dairy Service	Livestock Service	Fresh Fruit & Veg. Service	Farmer Markets
Cooperative sales size	All sizes	All sizes	All sizes	All sizes	All sizes
Balance sheet			<i>Percent of total assets</i>		
Current assets	43.02	78.78	51.23	63.59	23.26
Other assets	1.84	6.16	21.78	2.10	5.83
Investments	0.28	9.08	0.00	11.45	0.03
PP&E ¹ (net)	54.85	5.98	26.99	22.87	70.88
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	25.11	12.80	21.83	33.64	16.49
Total liabilities	37.83	15.36	25.39	48.54	42.51
Allocated equity	59.27	82.55	57.86	26.06	15.15
Retained earnings	2.89	2.09	16.74	25.40	42.34
Total equity	62.17	84.64	74.61	51.46	57.49
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00	100.00
Expenses					
Wages	14.78	39.45	19.94	31.71	26.19
Depreciation	5.80	2.74	1.85	2.96	6.12
Interest	1.15	0.06	0.53	0.30	3.85
Other	33.21	69.18	74.04	55.77	60.12
Total expenses	54.93	111.43	96.37	90.74	96.28
Net operating margins	45.07	-11.43	3.63	9.26	3.72
Patronage income	0.00	4.50	0.00	0.00	0.78
Non-operating income	0.80	1.36	0.22	3.50	1.07
Net income before taxes	45.86	-5.57	3.84	12.77	5.58
Taxes	1.70	-1.01	0.01	0.18	0.74
Net income	44.16	-4.56	3.83	12.59	4.83
Ratios			<i>Percent or number</i>		
Current	1.71	6.16	2.35	1.89	1.41
Debt-to-asset	0.38	0.15	0.25	0.49	0.43
Debt-to-equity	0.61	0.18	0.34	0.94	0.74
Retained earnings-to-equity	4.65	2.47	22.44	49.36	73.65
Equity-to-assets	62.17	84.64	74.61	51.46	57.49
Adjusted equity-to-assets	83.01	97.07	95.45	77.55	68.84
Return-on-assets	38.44	-2.12	7.35	13.17	5.97
Return-on-member-equity	60.92	-2.13	11.13	48.68	20.19
Extra value index +2	45.67	-5.00	5.31	16.74	1.55
Extra value index +5	43.18	-7.91	2.45	14.41	-0.52
Extra value index +10	39.03	-12.76	-2.33	10.53	-3.96

Appendix Table 7—Cooperative net income before taxes, 2002-2011¹

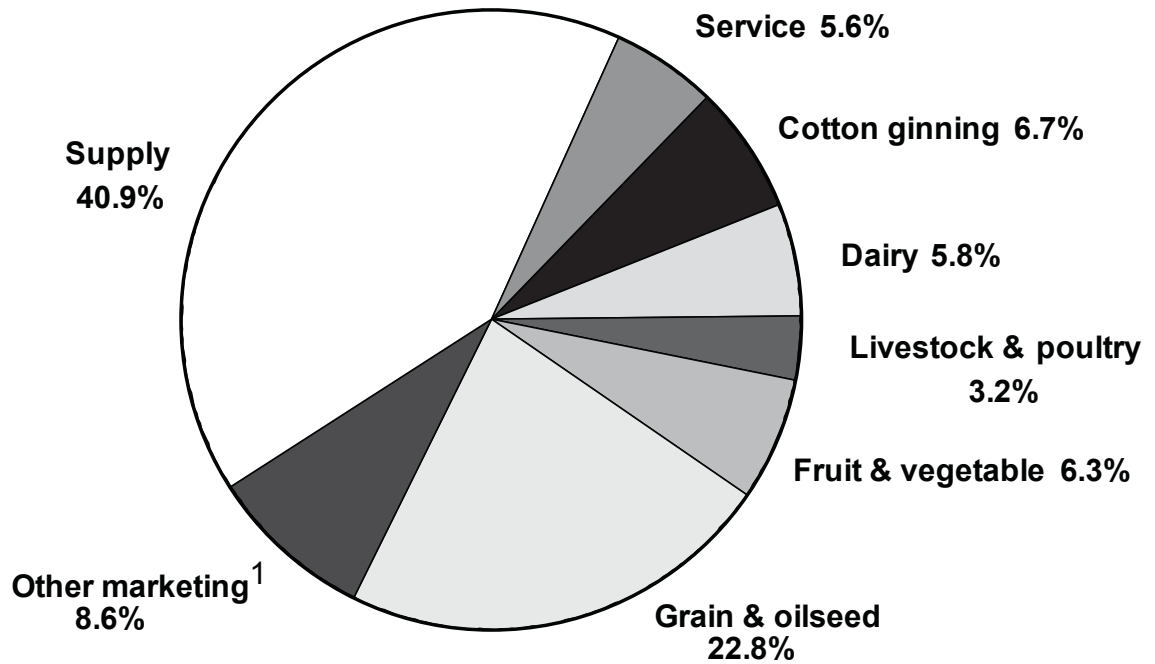
Year	Net operating margins	From other cooperatives ²	Total
		<i>Billion dollars</i>	
2002	0.55	0.36	0.91
2003	0.77	0.09	0.86
2004	1.72	0.39	2.11
2005	1.91	0.40	2.31
2006	2.38	0.54	2.92
2007	3.18	0.66	3.85
2008	4.01	0.87	4.88
2009	3.24	0.90	4.14
2010	3.59	0.67	4.26
2011	4.78	0.61	5.40

¹ Totals may not add due to rounding. Excludes income from cooperative pooling operations.

² Dividends and patronage refunds received from other marketing, supply, and service cooperatives, and CoBank, where applicable.

APPENDIX FIGURES

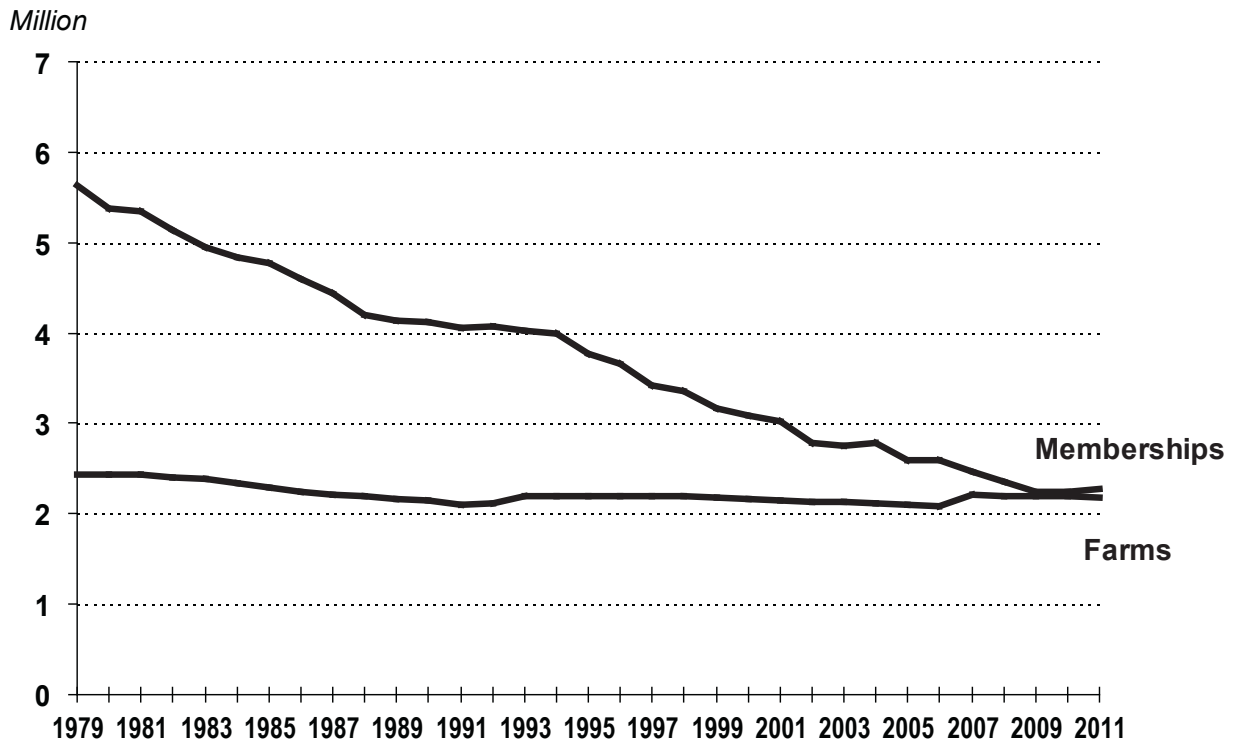
Appendix Figure 1—Distribution of Cooperatives by Type, 2011



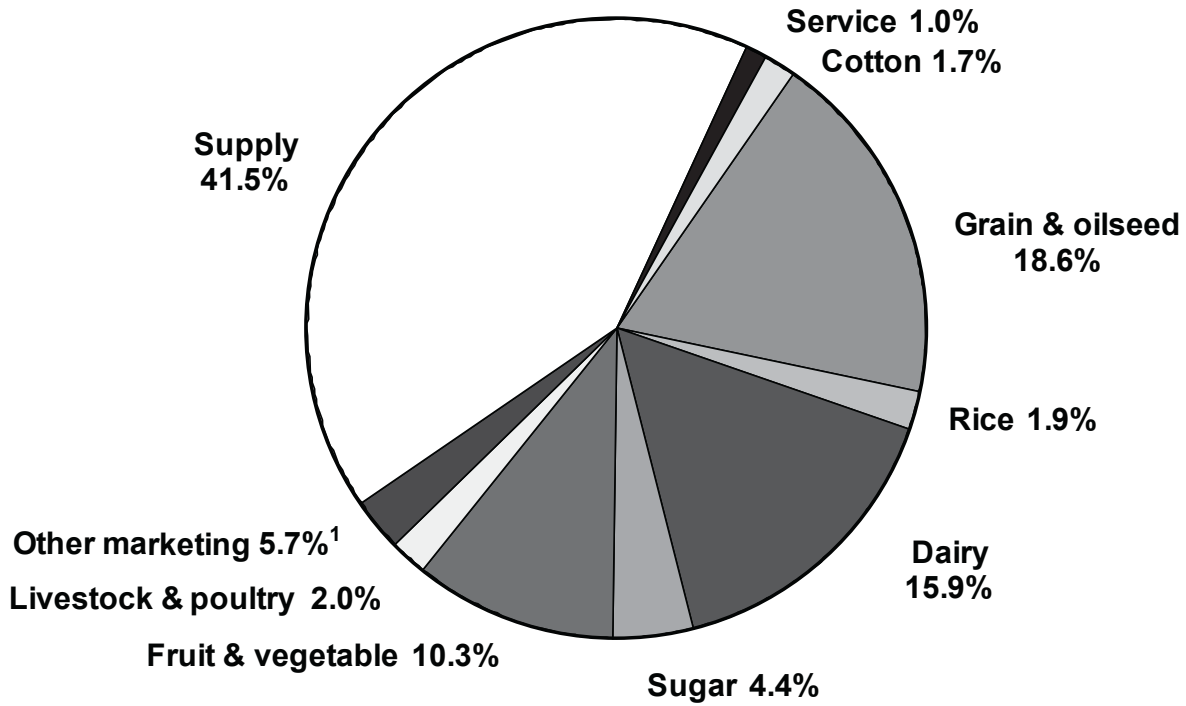
Percentages are based on a total of 2,285 cooperatives.

¹ Includes dry bean and pea, nut, wool and mohair, tobacco, rice, sugar, fishery, and other product marketing cooperatives

Appendix Figure 2—U.S. Farms and Cooperative Memberships, 1979-2011



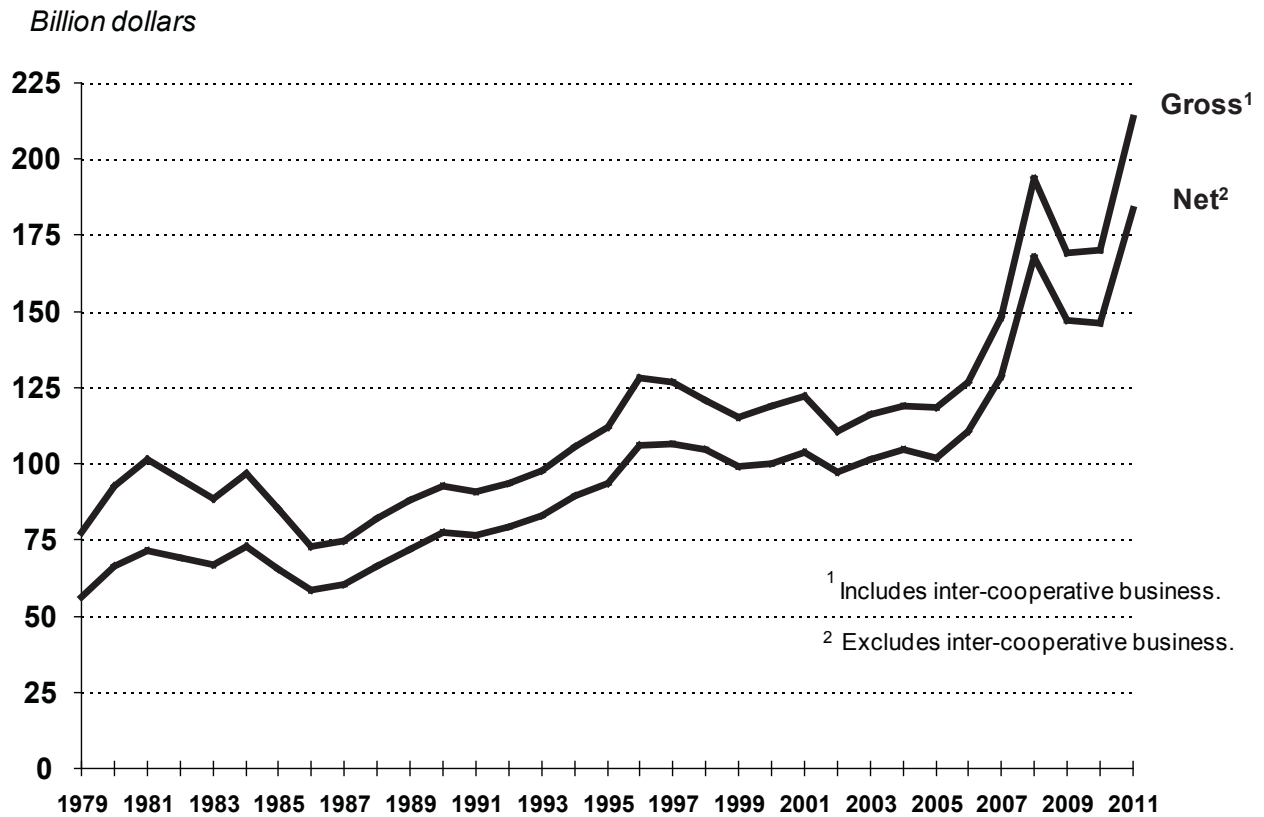
Appendix Figure 3—Distribution of Full-Time Employees by Cooperative Type, 2011



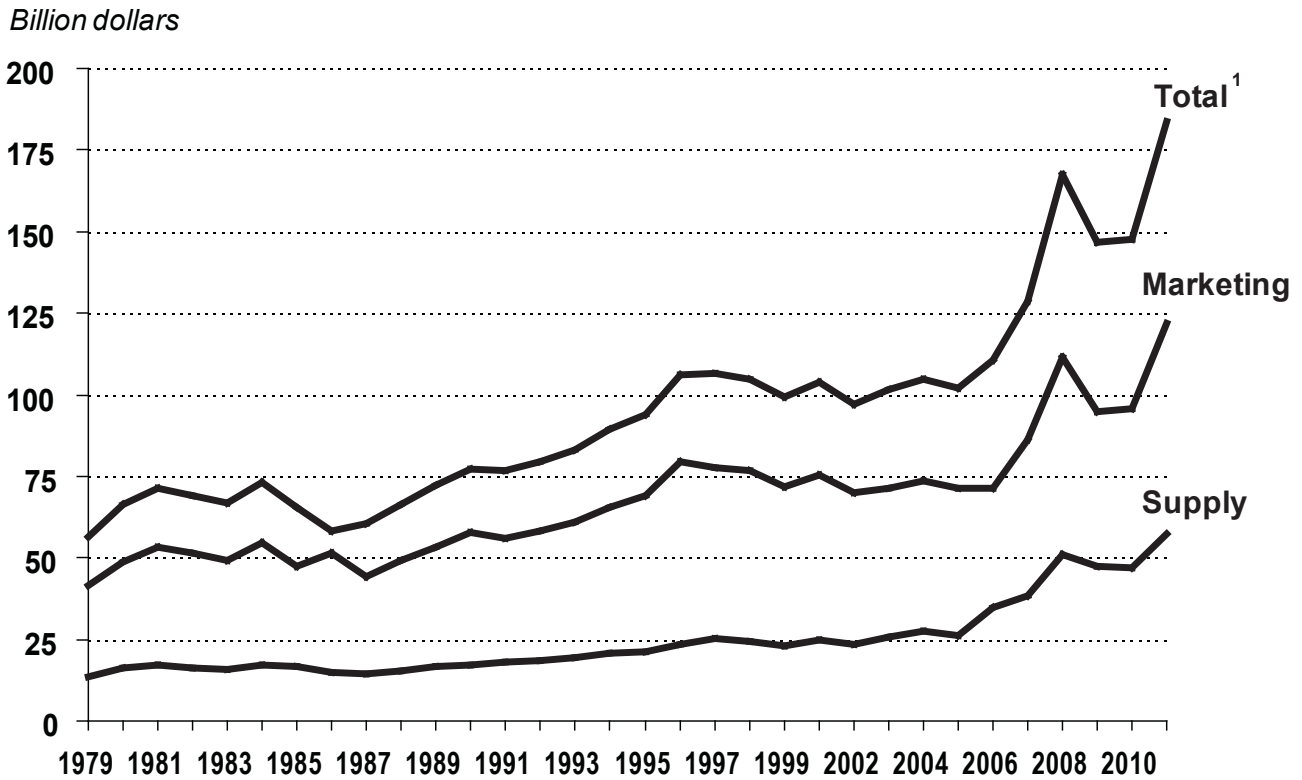
Percentages are based on a total of 130,000 full-time employees.

¹ Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives

Appendix Figure 4—Cooperatives' Gross and Net Business Volumes, 1979-2011

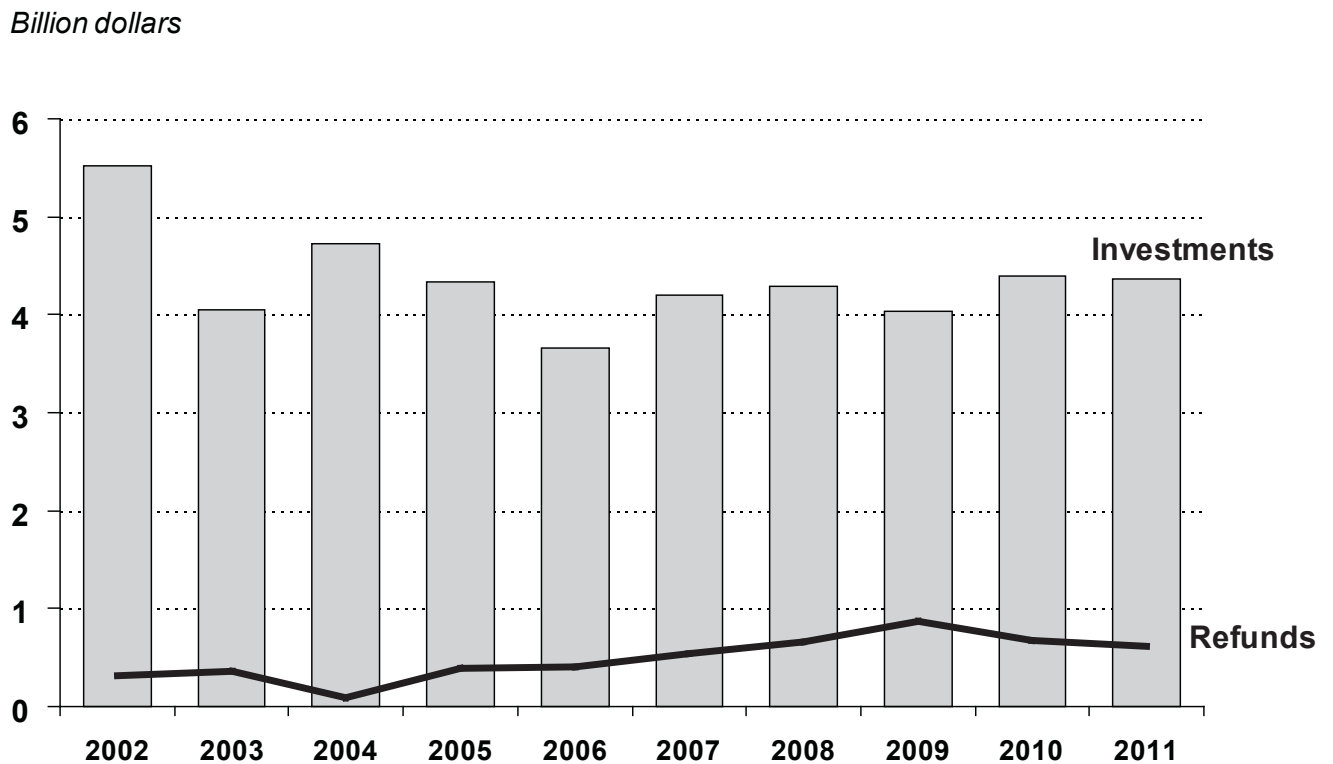


Appendix Figure 5—Cooperatives' Net Business Volume, 1979-2011



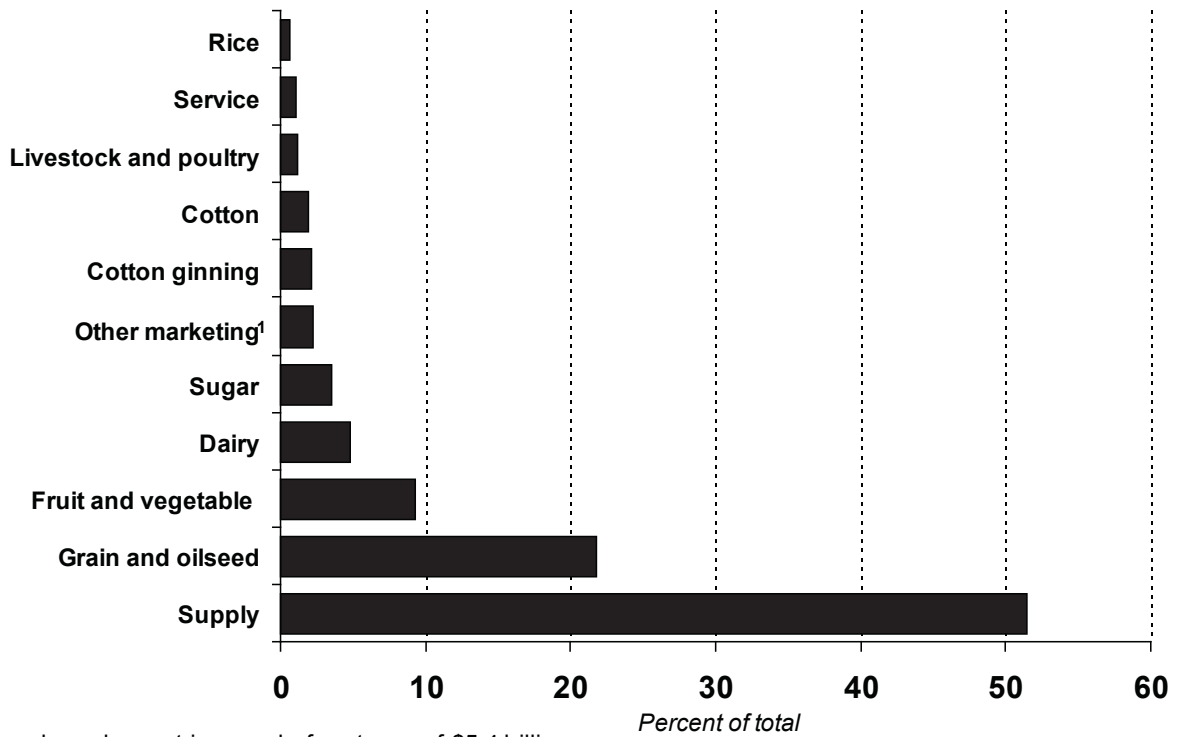
¹ Total includes value of related services and other income.

Appendix Figure 6—Cooperatives' Investments in Other Cooperatives and Patronage Refunds Received from Other Cooperatives¹, 2002-2011



¹ Includes other cooperatives and CoBank.

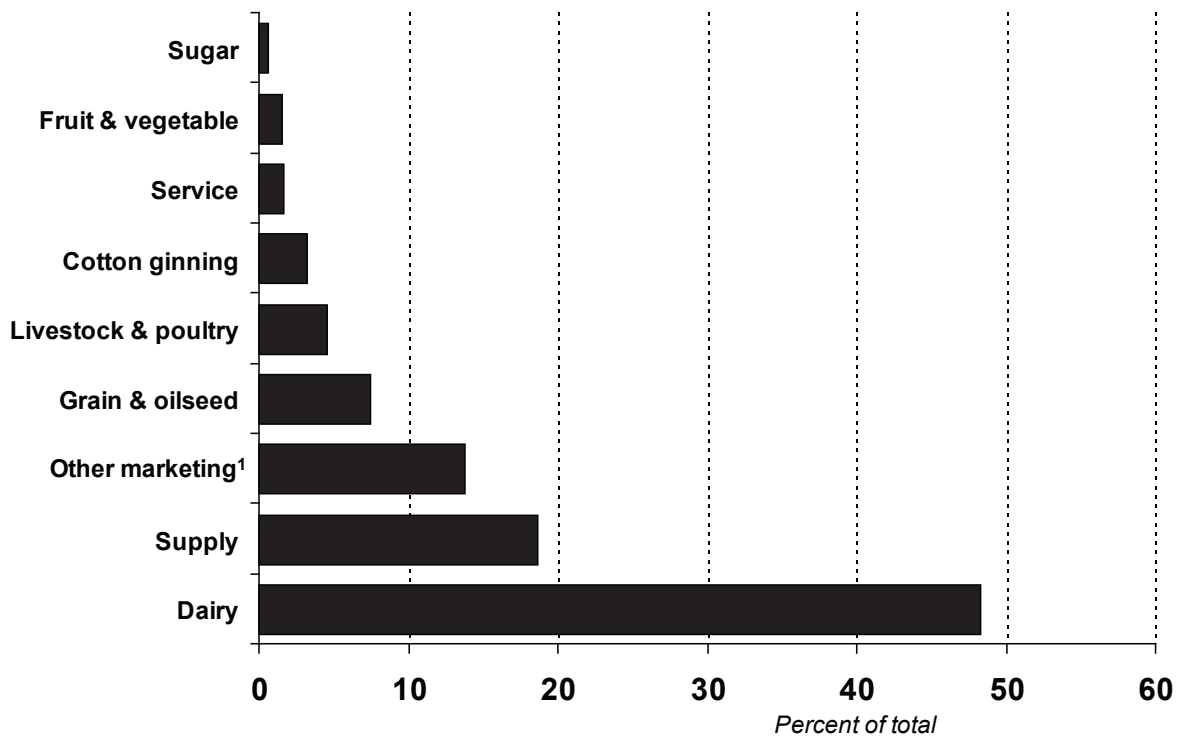
Appendix Figure 7—Distribution Net Income Before Taxes, by Cooperative Type, 2011



Percentage based on net income before taxes of \$5.4 billion.

¹ Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives.

Appendix Figure 8—Distribution of Losses, by Cooperative Type, 2011



Percentage based on before taxes losses of \$124.4 million.

¹ Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives.

