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Service Report 66



FARMER COOPERATIVE STATISTICS, 2004



ABSTRACT

A survey of 2,983 U.S. farmer-owned cooperatives ending their business year during calendar year 2004 showed a net business volume of \$107.9 billion with a net income of \$2.3 billion. These cooperatives had assets totaling \$47 billion, about \$27 billion of liabilities, and \$20 billion in equity. Cooperatives were a major employer in rural areas, with 150,000 full-time workers, but this was about 15,000 fewer employees than in 2003 due to the bankruptcy of two large cooperatives. 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, farm 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, net income, financial ratios.

FARMER COOPERATIVE STATISTICS, 2004

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PREFACE

Farmer cooperative statistics are collected annually to provide information on the progress and trends among the nation's farmer-owned cooperatives. These statistics are used for research, technical assistance, education, planning, and public policy. The collection, analysis, and dissemination of farmer cooperative statistics by 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 farmer cooperatives for business years ending in calendar year 2004. Cooperatives are classified by principal product marketed and major function. Fishery and ethanol cooperatives are included as "other product marketing" cooperatives. Both gross (includes inter-cooperative business) and net (excludes inter-cooperative business) dollar volumes are reported.

Statistics for 2004 were compiled on a national basis, state information is available on the odd years (2003, 2005, etc.). The information was collected from individual farmer and fishery cooperatives by a mail survey of all organizations identified by USDA Rural

Development's Cooperatives Program as farmer or aquacultural cooperatives. Information was requested for the cooperatives' 2004 business year. Information for 2004 was delayed due to a conversion of the database. This report will contain summary tables and figures and no other analysis due to this delay.

Rural Development 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 85.2 percent of the total gross sales of farmer cooperatives in 2004.

Rural Development depends on the cooperative community's response to its annual survey to develop a detailed and comprehensive set of statistics on farmer 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 2,983 U.S. farmer-owned cooperatives, according to the 2004 survey of marketing, farm supply, and related-service cooperatives by USDA Rural Development's Cooperatives Program.

- Total gross business volume (includes inter-cooperative business) handled by cooperatives was \$123.4 billion; net business (excludes inter-cooperative business) was \$107.9 billion.
- Total net income was \$2.3 billion, which includes inter-cooperative dividends and refunds of \$335 million.
- Cooperative memberships were 2.7 million, down about 3 percent from 2003.
- Cooperatives employed 150,000 full-time and 57,000 part-time and seasonal employees. Full time employee numbers were down 10 percent due to the bankruptcy of two large cooperatives.
- Gross value of farm products marketed by cooperatives was \$83 billion, with a net value (after eliminating duplication from inter-cooperative business) of \$77 billion.
- Gross value of farm supplies handled by farmer cooperatives was \$37 billion, with a net value of \$27 billion.
- Receipts for services related to marketing farm products and handling farm supplies, plus other income, totaled almost \$4 billion.
- Farmer cooperatives had \$47 billion in combined assets. Net assets, after eliminating inter-cooperative investments, was \$42 billion. Inter-cooperative investments included those in CoBank.
- Total liabilities totaled \$27 billion.
- Net worth, or member and patron equity, was \$20 billion. Member and patron equity financed 43 percent of total assets.

2004 HIGHLIGHTS

	2005	2003	Change
		<i>Number</i>	
Number of cooperatives	2,983.0	3,086.0	-103.00
Memberships (millions)	2.7	2.8	-0.08
Gross business volume (billion \$)	123.4	116.9	6.53
Net business volume (billion \$)	107.9	100.6	7.31
Net income (billion \$)	2.3	1.1	1.22
Total assets (billion \$)	47.2	46.9	0.23
Net worth (billion \$)	20.4	20.4	-0.04
Full-time employees (thousand)	149.5	165.1	-15.68
Part-time and seasonal employees (thousand)	56.7	61.6	-4.87

Farmer Cooperative Statistics, 2004

Katherine C. DeVille, Jacqueline E. Penn, and E. Eldon Eversull, Rural Development

I. DEFINITION OF A FARMER COOPERATIVE

USDA Rural Development's Cooperatives Program considers four major criteria in identifying an organization as a farmer-owned cooperative:

- (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 nonmembers 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 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

Rural Development classifies each cooperative under one of the following major functions: marketing, farm supply, or related-service. Fishery and ethanol cooperatives are classified as other product marketing cooperatives; wool pools as marketing cooperatives; livestock shipping associations and rice drying cooperatives as service cooperatives.

Marketing cooperatives derive most of their total dollar volume from the sale of members' farm products. These cooperatives are further classified into one of 13 commodities or commodity groups, depending upon which accounts for most of its business volume. Rural Development may reclassify a cooperative into a different commodity category if its primary business volume changes significantly.

Farm supply cooperatives derive most of their

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

Service cooperatives provide specialized services related to the agricultural business operations of farmers, ranchers, or cooperatives, such as cotton ginning, trucking, storing, drying, and artificial insemination. Livestock shipping associations and rice drying cooperatives are also classified as service.

Many cooperatives handle multiple commodities and provide both marketing and farm 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 their business volume.

Organizational Membership Structures

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

Centralized

Of the 2,983 farmer cooperatives in 2004, 2,908 were centralized organizations, mostly locals with individual farmer-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 farm 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 farm products or manufacturing feed and fertilizer.

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 farm products. Only a few bargain to purchase farm 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. They, like other dairy marketing cooperatives, represent their members at federal or state milk marketing order hearings.

Federated

The 52 federated cooperatives—two or more member associations organized to market farm 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

The 23 mixed cooperatives have individual farmer-members and autonomous cooperative members, a combination of centralized and federated structures. They serve large geographic areas, with members in many states, and provide a variety of integrated services.

II-2004 STATISTICS TABLES AND FIGURES

Table 1—Number of cooperatives and memberships, by major business activity, 2004

Major business activity	Cooperatives	Memberships
	<i>Number</i>	<i>Thousands</i>
Bean and pea, dry edible	6	1.7
Cotton	13	43.4
Dairy	195	71.6
Fruit and vegetable	196	30.6
Grain and oilseed ¹	711	496.1
Livestock	63	96.0
Nuts	18	14.6
Poultry ²	17	3.6
Rice	15	12.1
Sugar ³	44	13.5
Tobacco	19	161.1
Wool and mohair	74	11.2
Other products	89	22.6
Total marketing	1,460	978.0
Farm supply	1,161	1,599.7
Service	362	99.6
Total	2,983	2,677.3

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.

Table 2—Number of cooperatives, by major function and state, 2004

State/function	Marketing	Farm supply and service	Total
	<i>Number</i>		
Alabama	8	51	59
Arizona	5	4	9
Arkansas	10	41	51
California	91	63	154
Colorado	21	19	40
Florida	28	7	35
Georgia	9	8	17
Hawaii	13	7	20
Idaho	25	12	37
Illinois	102	55	157
Indiana	11	31	42
Iowa	90	53	143
Kansas	94	34	128
Kentucky	15	27	42
Louisiana	16	30	46
Maryland	3	12	15
Massachusetts	8	4	12
Michigan	31	28	59
Minnesota	135	141	276
Mississippi	12	57	69
Missouri	18	45	63
Montana	31	29	60
Nebraska	43	35	78
New Jersey	12	2	14
New Mexico	3	6	9
New York	70	12	82
North Carolina	13	5	18
North Dakota	120	98	218
Ohio	47	20	67
Oklahoma	32	40	72
Oregon	19	12	31
Pennsylvania	37	13	50
South Dakota	58	56	114
Tennessee	7	70	77
Texas	57	164	221
Utah	8	6	14
Virginia	18	39	57
Washington	40	31	71
West Virginia	13	13	26
Wisconsin	38	128	166
Wyoming	7	5	12
Other States ³	42	10	52
United States	1,460	1,523	2,983

¹ Includes states with fewer than three cooperatives for any function. States with at least three cooperatives were: Alaska, 7; Connecticut, 4; Delaware, 3; Maine, 26; South Carolina, 5; and Vermont, 3.

Table 3—Cooperatives' number of full-time employees, 2004-1999

Commodity	1999	2004	2003	2002	2001	2000
		<i>Thousands</i>				
Cotton	1.7	1.9	2.0	1.8	1.8	1.8
Dairy	24.0	23.4	23.7	20.7	23.4	24.6
Fruits and vegetables	14.3	18.4	18.7	19.9	25.1	23.3
Grains and oilseeds	17.5	20.4	18.9	19.6	20.3	21.0
Livestock and poultry	20.6	34.4	34.4	35.8	34.6	32.7
Rice	2.5	2.6	2.5	2.4	2.6	2.6
Sugar	7.1	4.9	4.5	4.4	4.5	4.5
Other marketing	7.8	5.8	6.8	6.3	8.8	8.5
Total marketing	95.3	111.9	111.3	111.0	121.1	119.0
Total farm supply	49.7	48.2	50.7	50.6	51.3	49.5
Service	4.4	5.0	4.0	4.0	4.2	4.5
Total	149.5	165.1	166.1	165.7	176.7	173.0

Table 4—Full-time and part-time and seasonal employees of farmer cooperatives, by cooperative type, 2004-2003¹

Principal product(s) marketed or major function	Total employees		Full-time employees		Part-time and seasonal employees	
	2004	2003	2004	2003	2004	2003
Products marketed	<i>Thousands</i>					
Cotton	2.0	2.1	1.7	1.9	0.3	0.2
Dairy	25.3	24.7	24.0	23.4	1.4	1.3
Fruit and vegetable	33.1	42.3	14.3	18.4	18.8	23.9
Grain and oilseed ²	23.0	25.8	17.5	20.4	5.6	5.4
Livestock and poultry	22.4	37.3	20.6	34.4	1.8	3.0
Rice	3.1	3.3	2.5	2.6	0.6	0.7
Sugar	10.7	6.4	7.1	4.9	3.7	1.5
Other marketing ³	10.9	8.8	7.8	5.8	3.1	3.0
Marketing	130.6	150.8	95.3	111.9	35.3	38.9
Farm supply	64.9	65.7	49.7	48.2	15.2	17.4
Service	10.7	10.3	4.4	5.0	6.3	5.3
Total	206.2	226.7	149.5	165.1	56.7	61.6

¹ Totals may not add due to rounding.

² Excludes oilseed meal and oil. Oilseed meal is included in feed sales while oil sales are included in other marketing sales.

³ Includes dry edible bean and pea, nut, tobacco, wool, fishery, and other product marketing cooperatives.

Table 5—Farmer cooperatives and memberships, by gross business volume, 2004¹

Sales volume group(million \$)	Cooperatives		Dollar volume		Memberships ²	
	Number	Percent of total	Gross ³ (million \$)	Percent of total	Number (1,000)	Percent of total
Less than 5.0	1,293	43.3	2,001	1.7	381	14.2
5 - 9.9	492	16.5	3,278	2.7	302	11.3
10 - 14.9	269	9.0	3,099	2.6	168	6.3
15 - 24.9	271	9.1	5,015	4.2	217	8.1
25 - 49.9	285	9.6	8,918	7.4	311	11.6
50 - 99.9	168	5.6	11,054	9.2	332	12.4
100 - 199.9	124	4.2	10,295	8.6	345	12.9
200 - 499.9	45	1.5	13,603	11.4	140	5.2
500 - 999.9	19	0.6	13,120	10.9	69	2.6
1,000 and more	17	0.6	49,447	41.3	412	15.4
Total ⁴	2,983	100.0	119,830	100.0	2,677	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.

Table 6—Cooperatives' gross and net business volumes by commodity, 2004¹

Commodity	Gross volume		Net volume	
	<i>Billion \$</i>			
Products marketed:				
Beans and peas (dry edible)	.096	.132	.092	.129
Cotton	3.325	2.617	3.234	2.536
Dairy	30.722	25.984	29.144	23.454
Fruits and vegetables	7.693	7.453	6.233	6.900
Grains and oilseeds ²	24.879	23.552	23.979	20.612
Livestock	3.043	6.795	2.323	6.795
Nuts	1.035	.851	1.025	.851
Poultry ³	3.467	2.667	3.364	2.653
Rice	1.027	.969	.852	.968
Sugar	3.616	3.513	3.463	3.513
Tobacco	.140	.085	.140	.085
Wool and mohair	.006	.011	.006	.011
Other products ⁴	<u>3.604</u>	<u>2.614</u>	<u>3.353</u>	<u>2.496</u>
Total farm products	82.654	77.242	77.207	71.002
Supplies purchased:				
Crop protectants	3.231	3.165	2.901	2.776
Feed	7.247	7.220	5.093	5.873
Fertilizer	6.130	6.482	5.129	4.640
Petroleum	14.585	12.827	8.929	7.512
Seed	1.882	1.828	1.509	1.234
Other supplies ⁵	<u>3.922</u>	<u>3.976</u>	<u>3.432</u>	<u>3.463</u>
Total farm supplies	36.997	35.498	26.992	25.499
Services and other income ⁶	<u>3.733</u>	<u>4.118</u>	<u>3.733</u>	<u>4.118</u>
Total business	123.384	116.858	107.932	100.619

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 while cottonseed meal is included

in feed.

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

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

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

⁶ Includes trucking, cotton ginning, 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.

Table 7—Combined assets for farmer cooperatives, 2004¹

Principal product(s) marketed and major function	Assets			Total assets	Investments in other co-ops as percent of total
	Cooperatives ²	of own operations	Investments in other cooperatives ³		
	<i>Number</i>			<i>Billion dollars</i>	
<i>Percent</i>					
Products marketed:					
Cotton	13	.824	.028	.853	3.3
Dairy	195	7.977	1.676	9.653	17.4
Fruits and vegetables	196	3.753	.114	3.867	2.9
Grains and oilseeds ⁴	711	7.363	.864	8.227	10.5
Livestock and poultry	80	1.618	.031	1.649	1.9
Rice	15	.511	.003	.514	0.5
Sugar	44	2.575	.101	2.676	3.8
Other marketing ⁵	206	2.541	.092	2.633	3.5
Total marketing	1,460	27.163	2.908	30.071	9.7
Total farm supply	1,161	14.310	1.823	16.133	11.3
Service	362	.883	.066	.949	6.9
Total	2,983	42.356	4.797	47.153	10.2

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 Excludes cottonseed and other oilseed oils and meals. Oilseed oil is included in other marketings while meal is included in farm supplies (feed).

⁵ Includes dry edible beans and peas, fish, nuts, tobacco, wool, and other product marketing.

Table 8—Combined balance sheet data for farmer cooperatives, 2004¹

Principal product(s) marketed and major function	Cooperatives	Total assets	Total liabilities	Net worth
	<i>Number</i>	<i>Billion dollars</i>		
Products marketed:				
Cotton	13	.85	.49	.36
Dairy	195	9.65	6.08	3.57
Fruits and vegetables	196	3.87	2.43	1.44
Grains and oilseeds ²	711	8.23	4.91	3.32
Livestock and poultry	80	1.65	1.11	.54
Rice	15	.51	.24	.27
Sugar	44	2.68	1.64	1.04
Other marketing ³	<u>206</u>	<u>2.63</u>	<u>1.11</u>	<u>1.52</u>
Total marketing	1,460	30.07	18.01	12.06
Total farm supply	1,161	16.13	8.31	7.82
Service	<u>362</u>	<u>.95</u>	<u>.45</u>	<u>.50</u>
Total	2,983	47.15	26.77	20.39

¹ Totals may not add due to rounding.

² Excludes cottonseed and other oilseed oils and meals. Oilseed oil is included in other marketing while meal is included in farm supplies (feed).

³ Includes dry edible beans and peas, fish, nuts, tobacco, wool, cottonseed, and other product marketing.

Table 9—Farmer cooperatives' net income before taxes, 2004¹

Principal product(s) marketed and major function	Cooperatives ²	Income before taxes	Income from own operations	Patronage income ³
	<i>Number</i>		<i>Million dollars</i>	
Products marketed:				
Cotton	13	106.9	105.8	1.0
Dairy	195	338.3	197.7	140.6
Fruits and vegetables	196	224.2	215.9	8.3
Grains and oilseeds ⁴	711	266.0	198.4	67.6
Livestock and poultry	80	183.2	236.8	-53.6
Rice	15	13.7	13.3	.3
Sugar	44	43.7	42.9	.9
Other marketing ⁵	206	198.0	194.2	3.8
Total marketing	1,460	1,374.0	1,205.1	168.9
Total farm supply	1,161	807.5	662.2	145.3
Service	362	146.8	126.0	20.8
Total	2,983	2,328.3	1,993.4	334.9

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

² Includes a number of cooperatives operating on a strictly pooling basis, but not their pool proceeds.

³ Includes patronage refunds from CoBank.

⁴ Excludes cottonseed and other oilseed oils and meals. Oilseed oil is included in other marketings while meal is included in farm supplies (feed).

⁵ Includes dry edible beans and peas, fish, nuts, tobacco, wool, and other product marketing.

Figure 1—Farmer Cooperatives in the United States, 1995-2004

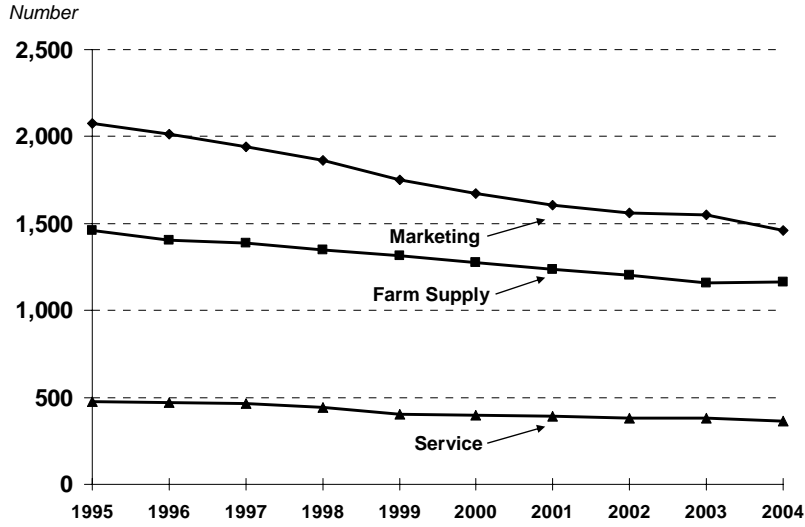
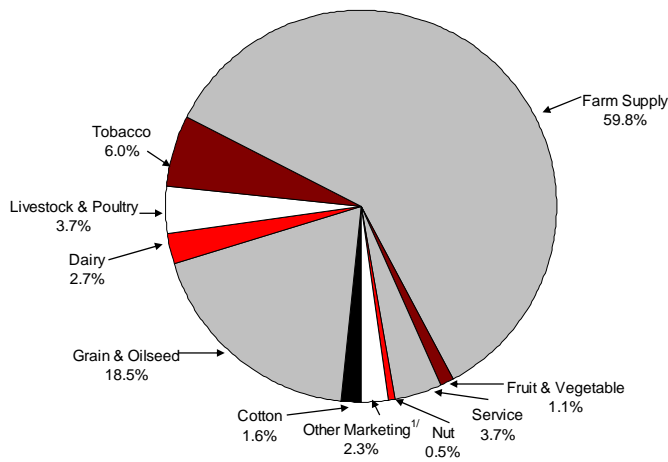


Figure 2—Distribution of Memberships, by Type of Cooperative, 2004



Percentages are based on 2.7 million total memberships.
¹ Includes dry bean and pea, wool and mohair, rice, sugar, fishery, and other product marketing cooperatives.

Figure 3—Cooperative Memberships by Function, 1995-2004

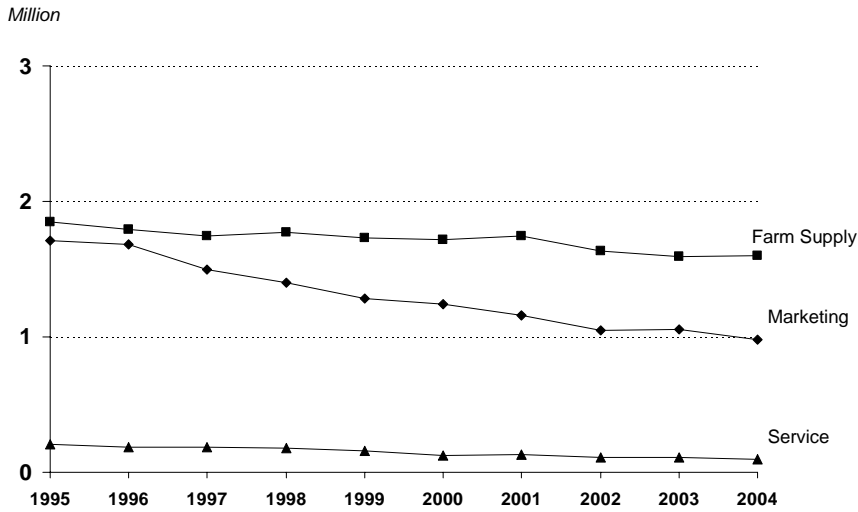
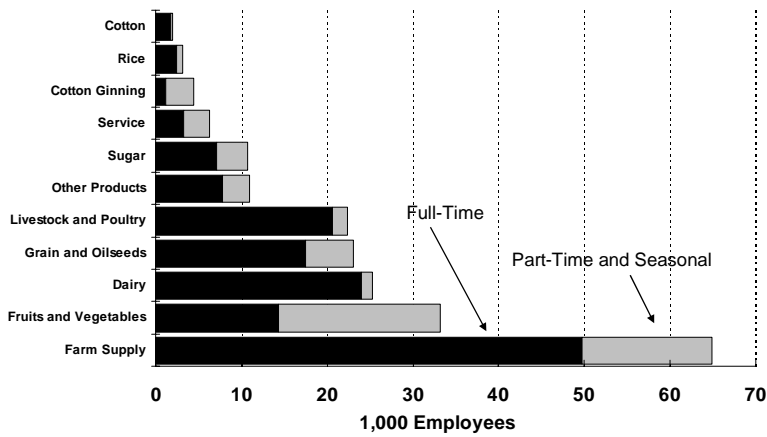
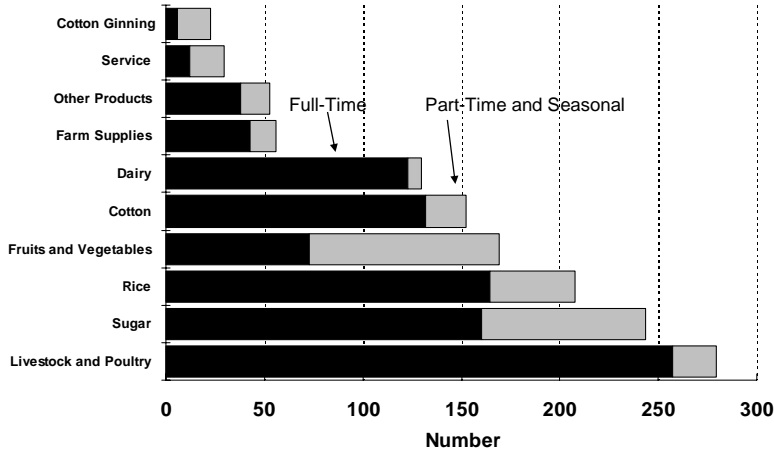


Figure 4—Full-Time and Part-Time and Seasonal Employees, by Cooperative Type, 2004



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

Figure 5—Average Full-Time and Part-Time and Seasonal Employees, 2004



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

Figure 6—Distribution of Farmer Cooperatives and Volume, by Size, 2004

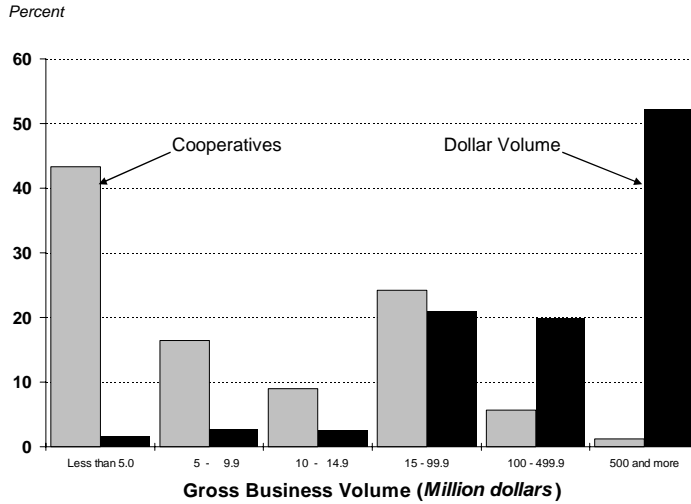
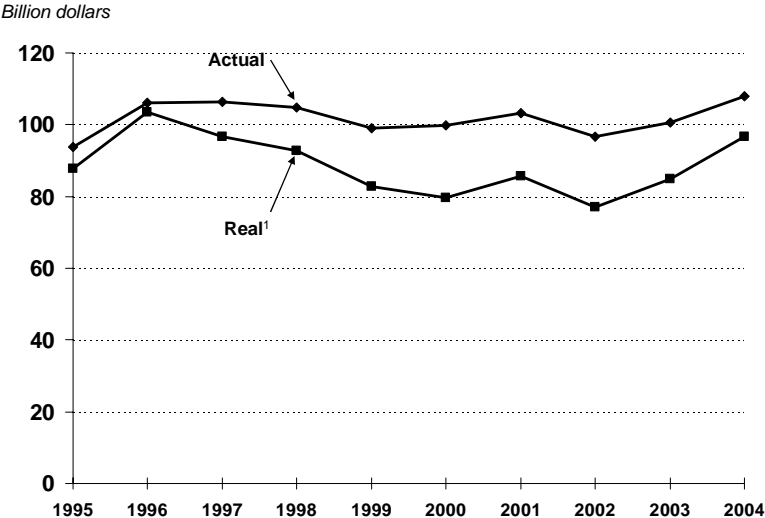
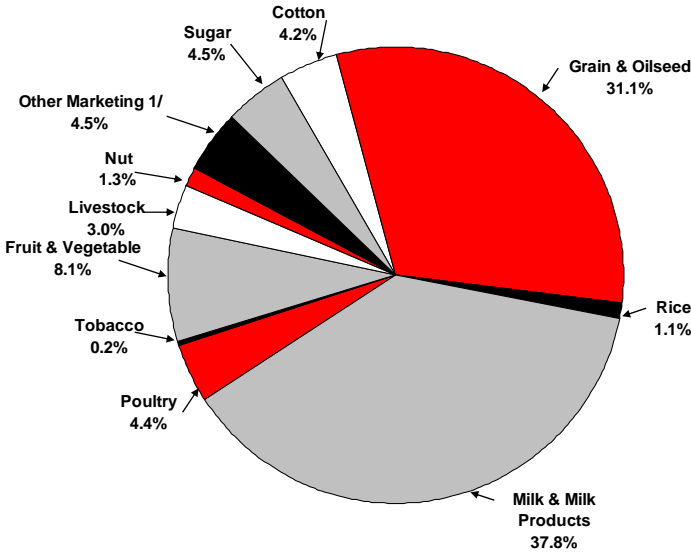


Figure 7—Cooperatives' Net Business Volume, Actual and Adjusted, 1995-2004



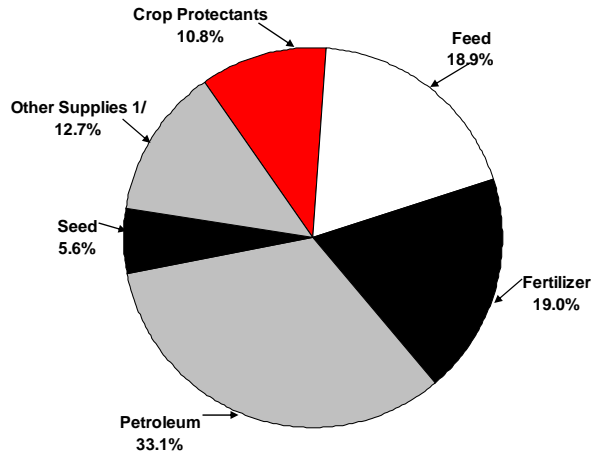
¹ Actual sales were adjusted for price change based on 1991 = 100.

Figure 8—Relative Importance of Farm Products Marketed by Cooperatives, 2004



Percentages are based on a total net marketing business volume of \$77.0 billion.
¹ Includes wool and mohair, dry beans and peas, fish, and other product marketing.

Figure 9—Relative Importance of Farm Supplies Handled by Cooperatives, 2004



Percentages are based on a total net farm supply business volume of \$27 billion.
 1/ Includes building materials, tires, batteries and accessories, equipment, animal health products, pet food, semen, hardware, food, clothing, and other.

Figure 10—Cooperatives' Net Sales of Selected Commodities, 1995-2004

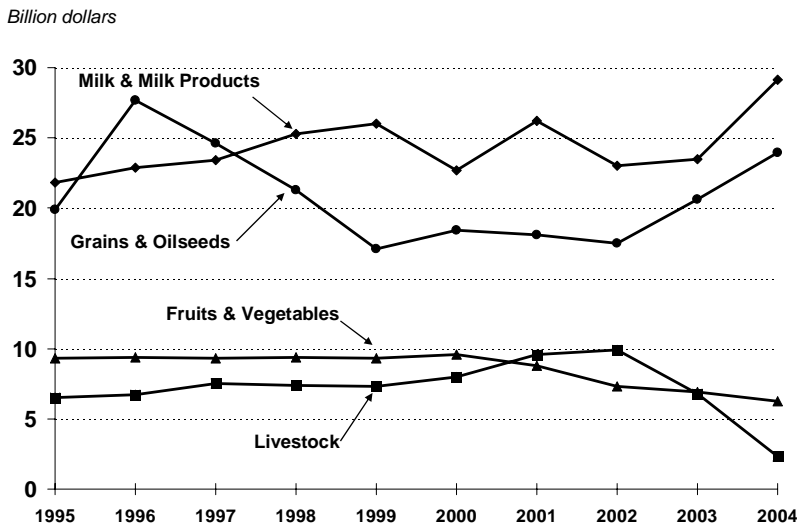


Figure 11—Cooperatives' Net Sales of Selected Farm Supplies, 1995-2004

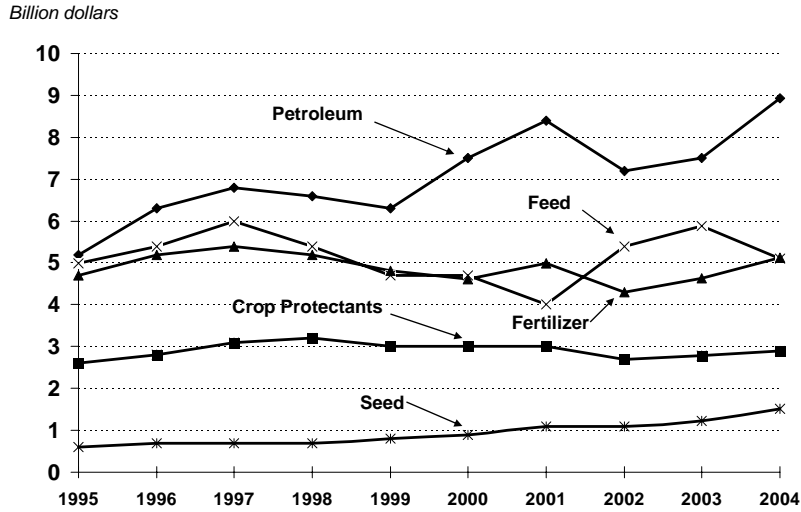


Figure 12—Cooperatives' Assets, Liabilities, and Net Worth, 1995-2004

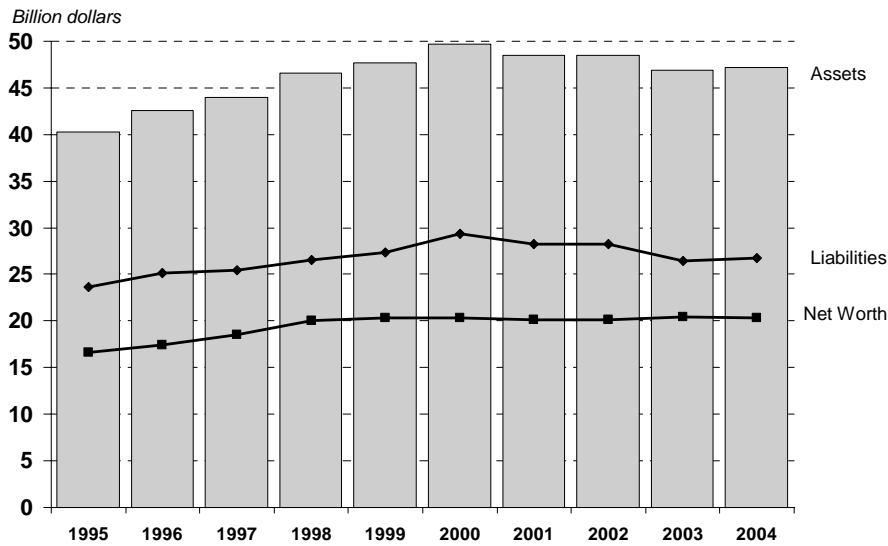
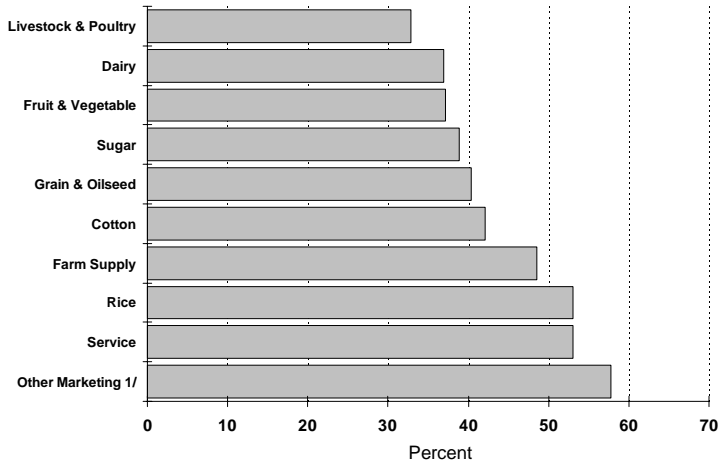
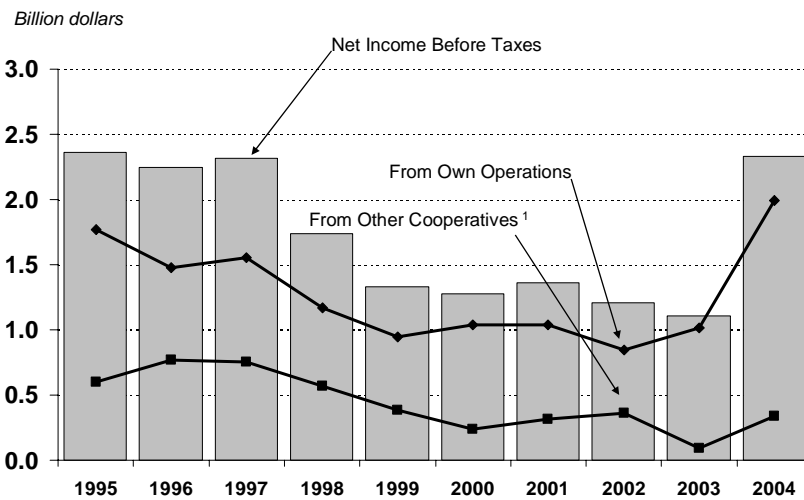


Figure 13—Percentage of Assets Financed by Net Worth, by Cooperative Type, 2004



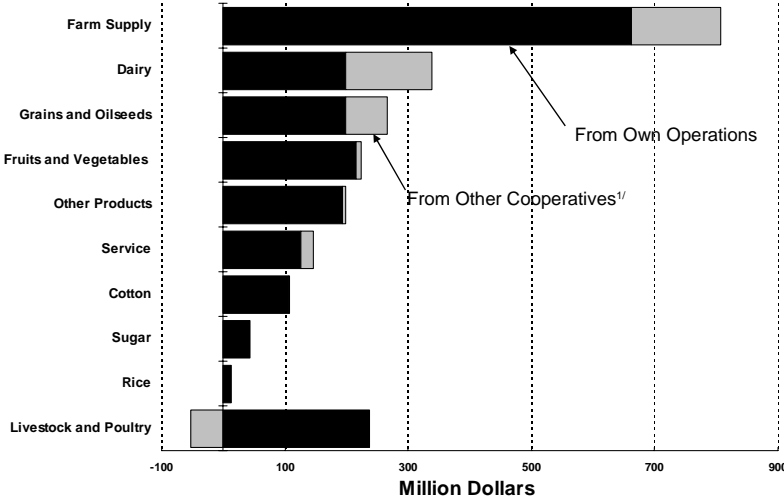
1/ Includes dry bean and pea, nut, tobacco, wool and mohair, fishery, and other product marketing cooperatives.

Figure 14—Cooperatives' Net Income Before Taxes, 1995-2004



1/ Includes dividends and patronage refunds from other farmer cooperatives, CoBank, and Banks for Cooperatives.

Figure 15—Net Income or Loss, by Type of Cooperative, 2004



^{1/} Includes dividends and patronage refunds from other farmer cooperatives and CoBank.
^{2/} Includes dry bean and pea, nut, tobacco, wool and mohair, fishery, and other product marketing cooperatives.

APPENDIX TABLES

Appendix Table 1—Number of cooperatives by major business activity, 2004-1995

Major business activity	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Products marketed:	<i>Number</i>									
Bean and pea (dry edible)	6	8	8	9	8	8	8	8	9	10
Cotton	13	14	14	14	14	15	15	16	16	16
Dairy	195	197	198	204	208	221	228	236	237	241
Fruit and vegetable	196	207	212	220	232	231	249	259	267	281
Grain and oilseed ¹	711	772	769	789	826	896	964	1,014	1,066	1,090
Livestock	63	67	66	70	74	81	80	88	89	94
Nuts	18	17	18	18	18	18	18	18	19	21
Poultry ²	17	19	19	19	19	15	18	20	16	18
Rice	15	15	15	15	16	17	17	18	19	19
Sugar ³	44	48	48	48	48	48	52	51	49	51
Tobacco	19	21	22	24	25	25	26	26	26	26
Wool and mohair	74	76	78	80	83	84	91	88	97	98
Other marketing	89	90	92	96	101	90	97	99	102	109
Total farm marketing	1,460	1,551	1,559	1,606	1,672	1,749	1,863	1,941	2,012	2,074
Total farm supplies	1,161	1,156	1,201	1,234	1,277	1,313	1,347	1,386	1,403	1,458
Total related services	362	379	380	389	397	404	441	464	469	474
Total business	2,983	3,086	3,140	3,229	3,346	3,466	3,651	3,791	3,884	4,006

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.

Appendix Table 2—Cooperative memberships, by major business activity, 2004-1995

Major business activity	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Products marketed:	<i>Thousands</i>									
Bean and pea (dry edible)	1.7	2.1	2.2	2.7	2.8	2.8	2.9	2.9	4.0	3.3
Cotton	43.4	43.4	43.5	45.9	45.4	43.8	41.3	42.7	42.6	41.9
Dairy	71.6	80.8	81.7	91.0	96.9	90.7	92.9	104.9	111.4	117.3
Fruit and vegetable	30.6	32.7	32.5	37.8	41.1	40.9	44.0	44.0	46.8	49.1
Grain and oilseed ¹	496.1	555.3	542.5	581.5	615.3	657.9	728.7	745.0	783.4	805.9
Livestock	96.0	91.9	94.0	105.3	132.1	137.1	161.5	236.0	278.8	273.6
Nuts	14.6	33.8	35.8	40.1	41.7	43.7	46.0	41.7	48.0	48.4
Poultry ²	3.6	26.3	26.1	19.1	29.2	29.2	36.3	34.3	32.3	28.6
Rice	12.1	12.5	12.4	13.9	12.2	11.8	12.9	14.0	14.8	15.9
Sugar ³	13.5	13.9	13.9	16.3	15.6	15.7	15.9	13.8	11.8	15.3
Tobacco	161.1	127.4	127.8	165.7	165.9	170.0	172.8	172.9	266.7	270.1
Wool and mohair	11.2	10.9	11.1	12.6	13.0	15.4	17.9	16.7	17.5	19.7
Other marketing	22.6	23.3	25.5	28.0	31.9	23.9	25.3	29.0	24.2	22.5
Total farm marketings	978.0	1,054.2	1,049.1	1,160.0	1,243.0	1,282.8	1,398.4	1,497.8	1,682.4	1,711.5
Total farm supplies	1,599.7	1,590.4	1,637.1	1,745.8	1,717.8	1,731.4	1,773.7	1,743.2	1,794.7	1,845.5
Total related services	99.6	113.3	107.4	128.1	124.3	159.1	180.6	183.1	186.5	210.3
Total business	2,677.3	2,758.0	2,793.6	3,033.9	3,085.1	3,173.3	3,352.6	3,424.2	3,663.6	3,767.3

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.

Appendix Table 3—Cooperatives' gross business volume, by type of cooperative, 2004-1995

Major business activity	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Products marketed:	<i>Billion \$</i>									
Beans and peas (dry edible)	0.1	0.1	0.1	.2	.1	.2	.2	.2	.2	.2
Cotton	3.3	2.6	2.5	2.5	2.8	2.2	3.0	3.1	2.7	2.9
Dairy	30.7	26.0	25.9	29.4	25.8	28.5	27.8	26.3	26.0	23.7
Fruits and vegetables	7.7	7.5	8.4	9.7	10.1	10.1	9.9	9.8	9.9	9.9
Grains and oilseeds	24.9	23.6	20.1	22.6	22.9	21.7	25.3	28.8	33.9	25.2
Livestock	3.0	6.8	9.9	9.6	8.0	7.4	7.6	7.5	6.7	6.5
Nuts	1.0	0.9	.9	.9	.7	.9	.9	.9	1.0	.9
Poultry	3.5	2.7	2.5	2.2	2.2	2.2	2.1	2.1	2.1	1.9
Rice	1.0	1.0	.8	.8	.8	.9	.9	.9	.9	.9
Sugar	3.6	3.5	2.4	2.7	2.7	2.7	2.7	2.4	2.0	2.0
Tobacco	0.1	0.1	.2	.4	.6	.3	.3	.6	1.4	1.2
Wool and mohair	0.0	0.0	.0	.0	.0	.0	.0	.0	.0	.0
Other marketing	3.6	2.6	2.8	3.0	3.7	3.5	3.7	3.3	3.4	2.7
Total farm marketings	82.7	77.2	76.6	84.0	80.4	80.5	84.5	85.9	90.3	77.9
Supplies purchased:										
Crop protectants	3.2	3.2	3.1	3.6	4.0	3.8	4.1	4.4	3.9	3.6
Feed	7.2	7.2	6.7	5.5	6.6	6.4	7.2	8.1	7.4	6.6
Fertilizer	6.1	6.5	5.2	7.4	7.3	7.3	7.8	8.9	8.7	7.9
Petroleum	14.6	12.8	11.4	14.1	13.3	8.1	8.8	10.6	9.8	8.1
Seed	1.9	1.8	1.6	1.5	1.4	1.1	1.0	.9	.9	.8
Other supplies	3.9	4.0	3.6	4.0	4.1	4.3	4.1	4.2	4.1	3.9
Total farm supplies	37.0	35.5	31.5	36.1	36.8	30.9	33.0	37.1	34.7	31.0
Services and other income	3.7	4.1	3.4	3.5	3.5	3.9	3.5	3.6	3.1	3.3
Total business	123.4	116.9	111.6	123.6	120.7	115.3	121.0	126.7	128.1	112.2

Appendix Table 4—Cooperatives' net business volume, by type of cooperative, 2004-1995

Major business activity	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995
Products marketed:	<i>Billion \$</i>									
Beans and peas (dry edible)	0.1	0.1	.1	.2	.1	.2	.2	.2	.2	.2
Cotton	3.2	2.5	2.5	2.4	2.7	2.1	3.0	3.0	2.7	2.8
Dairy	29.1	23.5	23.0	26.2	22.7	26.0	25.3	23.4	22.9	21.8
Fruits and vegetables	6.2	6.9	7.3	8.8	9.6	9.3	9.4	9.3	9.4	9.3
Grains and oilseeds	24.0	20.6	17.5	18.1	18.4	17.1	21.3	24.6	27.7	19.9
Livestock	2.3	6.8	9.9	9.6	8.0	7.3	7.4	7.5	6.7	6.5
Nuts	1.0	0.9	.9	.9	.7	.9	.9	.9	1.0	.9
Poultry	3.4	2.7	2.4	2.2	2.1	2.2	2.1	2.1	1.8	1.6
Rice	0.9	1.0	.7	.8	.8	.9	.9	.9	.9	.9
Sugar	3.5	3.5	2.4	2.6	2.7	2.5	2.4	2.3	1.9	1.9
Tobacco	0.1	0.1	.2	.4	.6	.3	.3	.6	1.4	1.2
Wool and mohair	0.0	0.0	.0	.0	.0	.0	.0	.0	.0	.0
Other marketing	3.4	2.5	2.6	2.9	3.6	3.1	3.3	3.1	2.9	2.5
Total farm marketings	77.2	71.0	69.7	75.0	72.1	72.0	76.6	77.8	79.4	69.3
Supplies sold:										
Crop protectants	2.9	2.8	2.7	3.0	3.0	3.0	3.2	3.1	2.8	2.6
Feed	5.1	5.9	5.4	4.0	4.7	4.7	5.4	6.0	5.4	5.0
Fertilizer	5.1	4.6	4.3	5.0	4.6	4.8	5.2	5.4	5.2	4.7
Petroleum	8.9	7.5	7.2	8.4	7.5	6.3	6.6	6.8	6.3	5.2
Seed	1.5	1.2	1.1	1.1	.9	.8	.7	.7	.7	.6
Other supplies	3.4	3.5	3.0	3.3	3.4	3.7	3.5	3.2	3.3	3.1
Total farm supplies	27.0	25.5	23.7	24.8	24.1	23.2	24.6	25.2	23.7	21.2
Services and other income	3.7	4.1	3.4	3.5	3.5	3.9	3.5	3.6	3.1	3.3
Total business	107.9	100.6	96.8	103.3	99.7	99.1	104.7	106.7	106.2	93.8

Appendix Table 5—Combined balance sheet data for farmer cooperatives, 1995-2004

Assets	Investments		Total assets	Total liabilities	Net worth
	from own operations	in other cooperatives ¹			
<i>Year</i>			<i>Billion dollars</i>		
1995	37.046	3.228	40.274	23.643	16.631
1996	39.011	3.577	42.588	25.195	17.392
1997	39.922	4.074	43.996	25.459	18.537
1998	41.884	4.676	46.560	26.606	19.954
1999	42.330	5.352	47.682	27.418	20.263
2000	44.635	5.087	49.722	29.447	20.275
2001	43.285	5.180	48.465	28.317	20.148
2002	41.947	5.539	47.486	27.883	19.602
2003	42.864	4.058	46.922	26.493	20.429
2004	42.356	4.797	47.153	26.766	20.386
			<i>Percent of total assets</i>		
1995	92.0	8.0	100.0	58.7	41.3
1996	91.6	8.4	100.0	59.2	40.8
1997	90.7	9.3	100.0	57.9	42.1
1998	90.0	10.0	100.0	57.1	42.9
1999	88.8	11.2	100.0	57.5	42.5
2000	89.8	10.2	100.0	59.2	40.8
2001	89.3	10.7	100.0	58.4	41.6
2002	88.3	11.7	100.0	58.7	41.3
2003	91.4	8.6	100.0	56.5	43.5
2004	89.8	10.2	100.0	56.8	43.2

¹ Includes investments in other farmer cooperatives, CoBank, and Banks for Cooperatives, where applicable.

Appendix Table 6—Net income of farmer cooperatives, 1996-2005¹

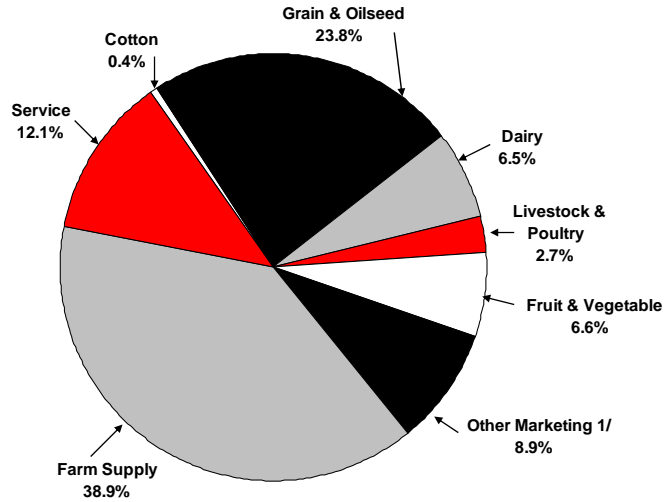
Year	From own operations	From other cooperatives ²	Total
	<i>Million dollars</i>		
1995	1,766	597	2,363
1996	1,475	773	2,248
1997	1,557	757	2,314
1998	1,169	573	1,742
1999	945	384	1,328
2000	1,041	235	1,276
2001	1,039	318	1,357
2002	847	362	1,210
2003	1,013	92	1,105
2004	1,993	335	2,328

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

² Dividends and patronage refunds received from other marketing, farm supply, and related-service cooperatives, CoBank, and Banks for Cooperatives, where applicable.

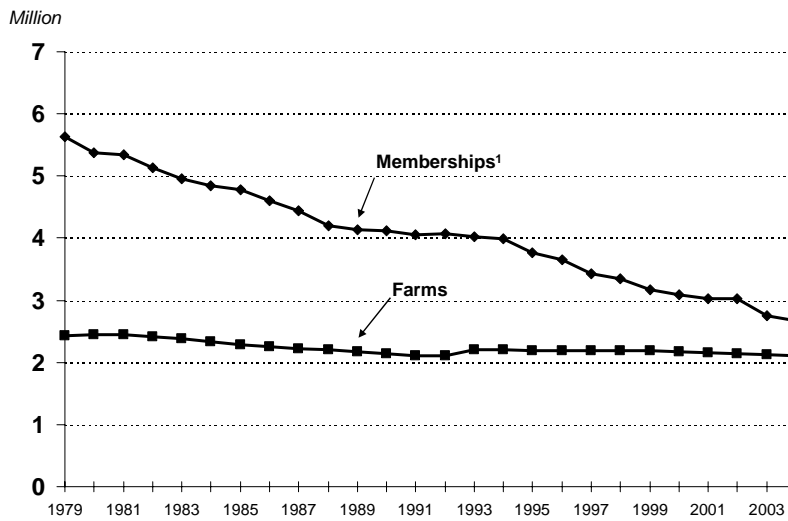
APPENDIX FIGURES

Appendix Figure 1—Distribution of Farmer Cooperatives by Type, 2004



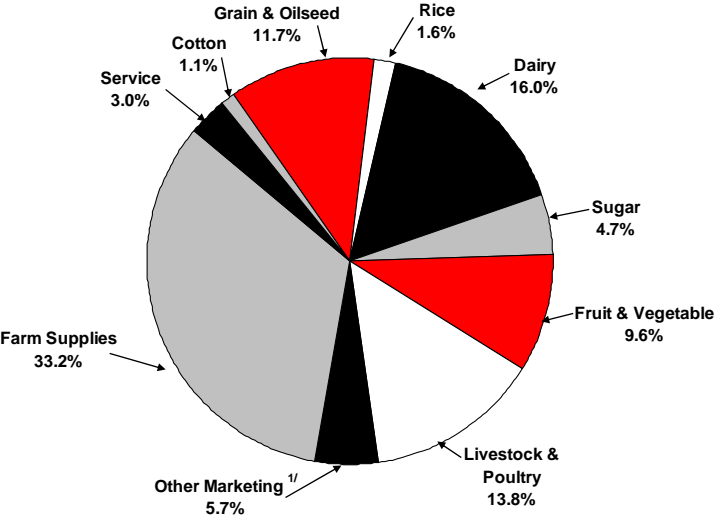
Percentages are based on a total of 2,983 cooperatives.
 1/ Includes dry bean and pea, nut, wool and mohair, tobacco, rice, sugar, fishery, and other product marketing cooperatives.

Appendix Figure 2—U.S. Farms and Farmer Cooperative Memberships, 1979-2004



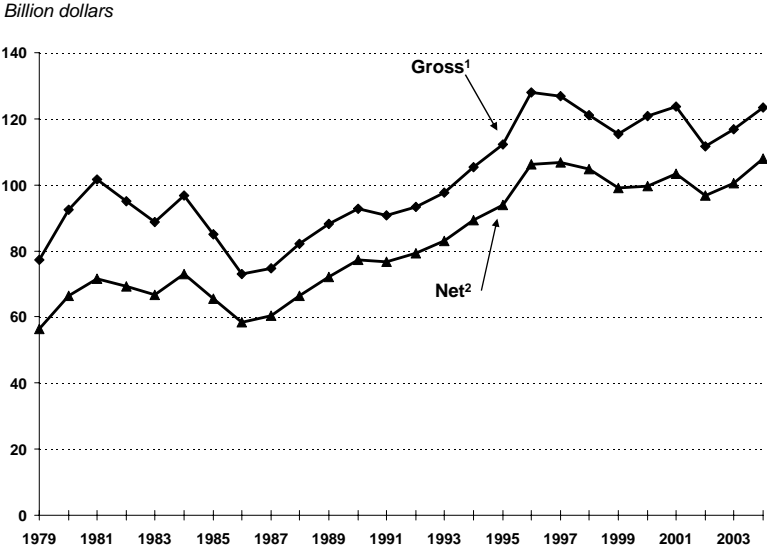
¹ Memberships were higher than farm numbers because many farmers belonged to more than one cooperative.

Appendix Figure 3—Distribution of Full-Time Employees by Cooperative Type, 2004



Percentages are based on a total of 150,000 full-time employees.
¹ Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives.

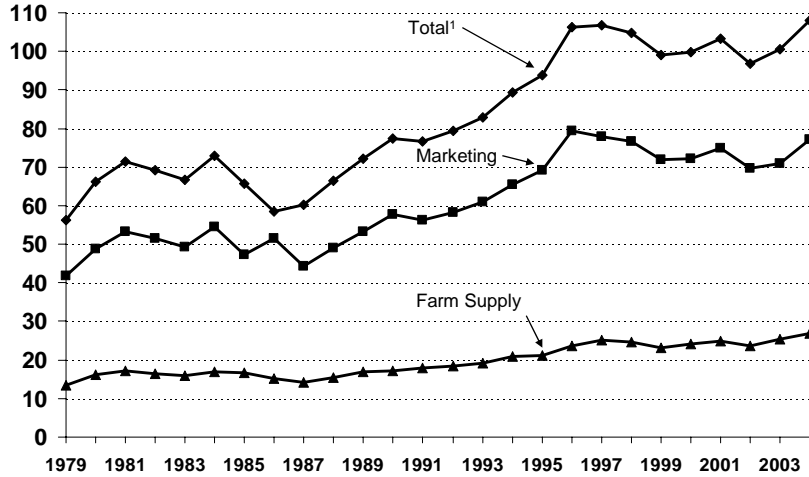
Appendix Figure 4—Cooperatives' Gross and Net Business Volumes, 1979-2004



¹ Includes inter-cooperative business.
² Excludes inter-cooperative business.

Appendix Figure 5—Cooperatives' Net Business Volume, 1979-2004

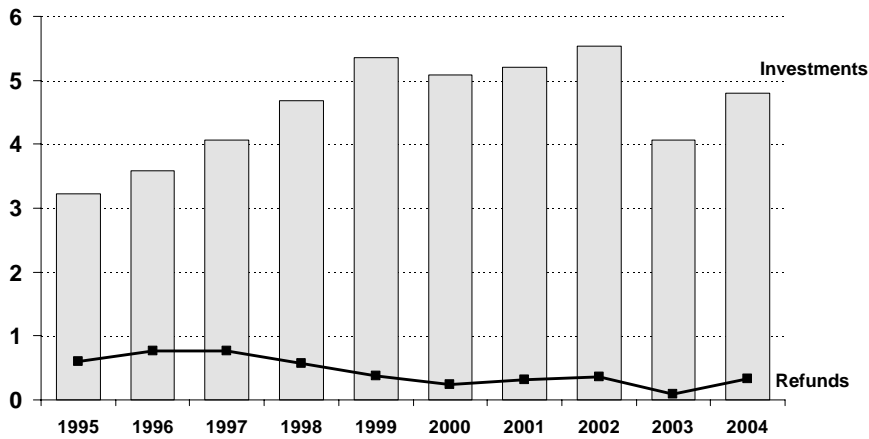
Billion dollars



¹ Total includes value of related services and other income.

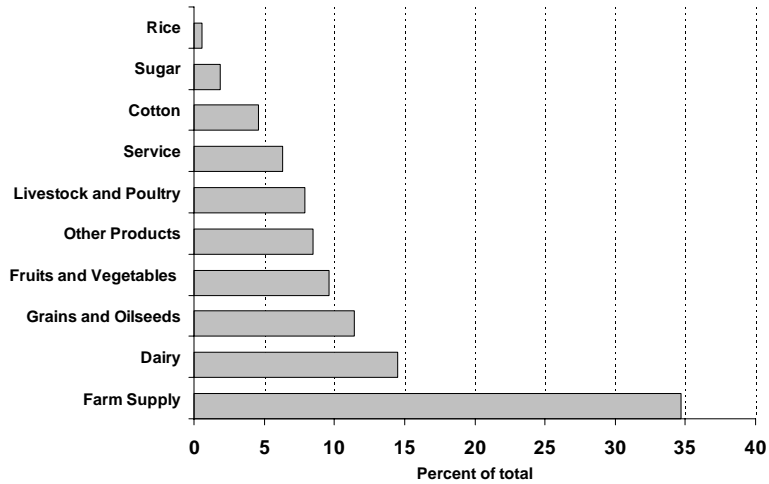
Appendix Figure 6—Cooperatives' Investments in Other Cooperatives and Patronage Refunds Received From Other Cooperatives,¹ 1995-2004

Billion dollars



¹ Includes other farmer cooperatives and CoBank.

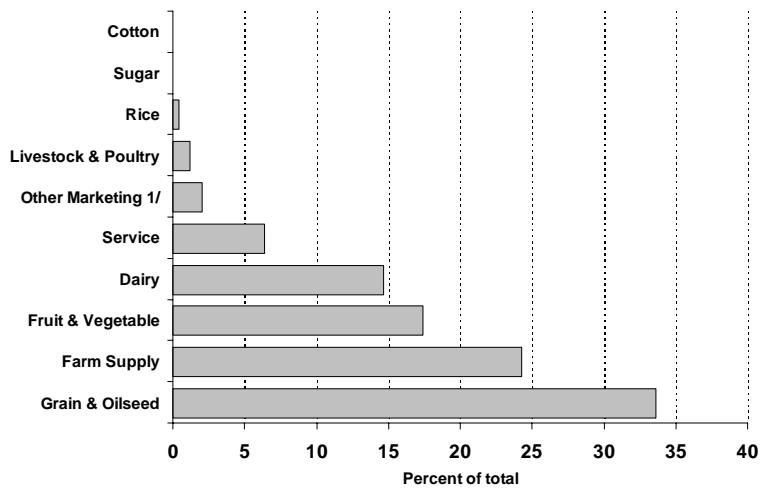
Appendix Figure 7—Distribution of Net Income, by Type of Cooperative, 2004



Percentage based on total net income of \$2.3 billion.

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

Appendix Figure 8—Distribution of Losses, by Type of Cooperative, 2004



Percentage based on total losses of \$75 million.

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

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