ERS-30

Reporting

Shell Egg Movements Into Retail Channels In Four West Coast Cities

U. S. DEPARTMENT OF AGRICULTURE Economic Research Service
Marketing Economics Division

PREFACE

This study on the movement of shell eggs into retail channels in the Los Angeles, San Francisco, Seattle, and Portland metropolitan areas is a continuation of a pilot study begun in Chicago in 1958. It is part of a broad program of research and is designed to appraise and improve current dairy and poultry market news reports published by the Agricultural Marketing Service, U. S. Department of Agriculture; to establish similar reports in other metropolitan areas; and to obtain basic information on marketing channels.

Personnel of the U. S. Department of Agriculture's Dairy and Poultry Market News provided valuable assistance in obtaining information necessary for developing the new and improved weekly reports. Many business establishments contributed the information used as a basis for the study.

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SUMMARY

The Dairy and Poultry Market News Branch of the Agricultural Marketing Service, USDA, regularly issues valuable and informative reports on current market prices and related marketing information to the poultry industry. These daily and weekly reports are constantly being evaluated and changed to keep up with today's rapidly changing industry. This publication describes how the weekly reports on Movement of Eggs into Retail Channels in Los Angeles, San Francisco, and Seattle were revised and improved and how a new weekly report in Portland-Vancouver was developed. The basic methodology used was developed in an earlier study of the Chicago weekly retail egg movement report. All firms believed to be handling eggs in each of the 4 metropolitan areas were surveyed to evaluate their influence on the market and on existing and future reports. Upon complete analysis of all responding firms in the surveys, a universe of firms was established for each market, from which weekly movements of eggs into retail channels data were collected.

In Los Angeles 273 firms reported they handled eggs at some point in the marketing channel; in San Francisco there were 132 firms, in Seattle 65, and in Portland-Vancouver 77 firms. Unduplicated movement of 100 or more 30-dozen cases of eggs into retail channels a week was reported by 67 firms in Los Angeles, 25 in San Francisco, 18 in Seattle, and 20 in Portland-Vancouver. These firms moved, on the average, 100 to 28,000 cases a week.

The 4 west coast markets were dominated by three distinct types of firms in 1959: Ranchers, assembler-processor-distributors, and corporate food chains. There were 14 firms in Los Angeles that moved over 1,000 cases of eggs a week into retail outlets, 9 in San Francisco, 4 in Seattle, and 3 in Portland-Vancouver. Direct deliveries from the ranch or farm to retail stores are rapidly increasing in these 4 cities. Egg producers in the Portland-Vancouver area supplied 20 percent of the area's total retail movement of eggs in June 1959. Very few west coast food chains carton eggs at their individual stores. This function is performed generally by modern wholesalers and producers. Very few egg breakers, brokers, and old-line wholesalers were found in these 4 west coast cities. In recent years these areas began to ship eggs out of their own States. A few Los Angeles firms regularly sold eggs in Arizona, New Mexico, and other States in the Southwestern region during 1959. Some firms in Seattle and Portland ship eggs to Alaska on a regular weekly basis.

The old weekly reports (in Los Angeles, San Francisco, and Seattle) were established on a matched-plant basis which limited their usefulness and accuracy. (See page 6, footnote 2.) The revised and new reports are based on an estimated total movement for all firms in a defined commercial universe of egg distributors, both wholesale and retail. With this procedure every plant in the universe has a bearing on the total volume reported each week for its respective metropolitan area. The weekly published figures can be added to obtain movement data over a longer period of time within each market. These new reports provide information on the total volume moved into retail channels by the defined universe, and the percentage change from the previous week and from the same week a year ago.

Trial reporting on the new basis began in the fall of 1959. The new and revised reports were released to the public for the first time on February 16, 1960.

The reports cover major portions of the total movements of eggs into retail channels in five metropolitan areas and they are highly representative of the weekly total retail sales and consumption of eggs in each area. These reports are issued by the USDA Dairy and Poultry Market News Branch every Wednesday and are widely published by various trade papers.

REPORTING SHELL EGG MOVEMENTS INTO RETAIL CHANNELS IN FOUR WEST COAST CITIES

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INTRODUCTION

The Market News Service of the U. S. Department of Agriculture regularly collects and reports a vast amount of current information on market prices and closely related market activities. The purpose of this reporting is to provide farmers, marketing firms, and the general public with accurate current market information for making decisions which affect production, consumption, prices, and movements of agricultural commodities. The Service performs an essential function in an economy where the primary decision makers are owners and managers of independent business firms that are operating in a relatively free market.

The Dairy and Poultry Market News Branch has issued weekly reports on the movement of eggs into retail channels in Chicago since 1941. Similar reports were later established in San Francisco (1944), Los Angeles (1945), and Seattle (1951). These weekly reports were extensively used by members of the egg industry as indicators of movements of eggs out of the marketing system and into consumer channels. They indicate current demand for eggs in the market and supplement reports on prices, production, and other marketing information. This factual information on market activities facilitates orderly marketing of eggs.

At the recommendation of the Poultry Research and Marketing Advisory Committee in January 1957 and the request of the Dairy and Poultry Market News Service, the Marketing Economics Division undertook to explore the possibility of improving and expanding the four egg-movement reports. A pilot study to develop and test a model report on movements of eggs into retail channels was made in the Chicago metropolitan area. This study resulted in the development of new reporting procedures. The first expanded and revised weekly report was issued to the public on February 10, 1959. A report published in September 1959 described the methods used and evaluated the old and new reporting procedures. 1/

Early in 1959 the Marketing Economics Division in cooperation with the Market News Service began work to improve the retail egg movement reports in Los Angeles, San Francisco, and Seattle, and to initiate a report in Portland-Vancouver. Upon completion and summarization of a mail survey, trial reporting was begun in November 1959. The first expanded and revised weekly reports and the new report in Portland-Vancouver were issued to the public on February 16, 1960. The present publication describes and evaluates the old and new weekly reports and provides information about marketing channels.

1/ Pedersen, John R., Mitchell, William L., and Pritchard, Norris T. Movement of Shell Eggs into Retail Channels in the Chicago Metropolitan Area. U. S. Agr. Mktg. Serv. AMS-338, 12 pp. Sept. 1959.

PROCEDURE

Questionnaires were mailed to all firms presumed to be egg handlers in Los Angeles, San Francisco, Seattle, and Portland-Vancouver. Three mailings and a followup telephone survey of nonrespondents were completed in July 1959. In the attempt to locate all egg handlers in each city, 456 firms in Los Angeles, 224 in San Francisco, 82 in Seattle, and 118 in Portland were surveyed for information about marketing channels. Table 1 shows the number of firms that reported handling eggs in the 4 areas.

Complete coverage of all firms believed to handle any volume of eggs in each metropolitan area was necessary to determine with full accuracy the universe of firms moving eggs into retail channels. The results of the surveys for each city indicated that the reports could be substantially improved by increasing the sample size, improving week-to-week comparisons, shifting from a matched-plant basis to an estimated total basis, and issuing the weekly report earlier than previously. 2/ The report would provide members of the poultry industry with a more accurate and representative indicator of the movement of eggs out of commercial wholesale channels and into various retail channels.

The first major change to put the weekly reports in line with current marketing practices was to define the universe of commercial egg distributors in each metropolitan area. This universe was defined as all firms located in a specific metropolitan area that moved 100 or more (30-dozen) cases of eggs per week into the area's retail channels without duplicating eggs reported by other firms. 3/ This definition was exactly the same as the one used for establishing the commercial universe of firms for the improved Chicago report. The principal firms in each of the 5 cities mentioned handled 100 or more cases a week and were the firms that made the major pricing decisions in each market.

Firms handling less than 100 cases of eggs a week usually purchased their supply of eggs from a larger distributor in the area and sold them (based on previously published price reports) through their own grocery stores, dairies, or on house-to-house delivery routes. A few were producers or ranchers who delivered their own production of eggs to special retail and consumer outlets, while the remaining retail movements were performed by country hucksters who bought from producers or ranchers and sold their eggs to whoever would purchase them. During the past 20 years the small huckster-peddlers and jobbers in the Los Angeles, San Francisco, and Seattle markets have decreased in number.

Thus it was possible to establish retail movement reports that covered over 80 percent of the estimated total consumption of eggs in these large consuming areas by collecting weekly information from a small number of firms. These firms were of three main types: (1) Wholesale and producer distributors, (2) large food chains, and (3) milk distribution companies. The large independent retail stores, restaurant

2/ Matched-plant basis was obtained by comparing a firm's reports for 2 consecutive weeks, then totaling the number of cases of eggs reported moved into retail channels by a group of such firms; from these totals, week-to-week percentage changes were computed. The same procedure was used later to compare the current week with the same week of the previous year.

3/ This minimum size has the important practical advantages of including most of the eggs moved into retail channels and of restricting the number of firms to a manageable number for reporting purposes. In the remaining portions of this report cases of eggs will refer to cases containing 30 dozen eggs.

Table 1.--Egg distributors responding to survey in Los Angeles, San Francisco, Seattle, and Portland-Vancouver 1959

Activity of firm	Los Angeles	San Francisco	Seattle	Portland
	Firms	Firms	Firms	Firms
Handling eggs	273	132	65	77
Moving eggs into retail outlets 1/	159	83	36	69
Moving 100 or more cases of eggs a week into retail outlets 1/	67	25	18	20

1/ Firms that received eggs that were not reported by other firms in this group.

chains, hotels and institutions obtained practically all of their eggs from the wholesale and producer distributors.

Different questionnaires were used for the 3 types of firms in the universe for collection of weekly data. Firms in each class in the 5 metropolitan areas were given explicit instructions printed on the questionnaires on what volume movements should be reported into retail channels. Instructions were precise and clear so that each firm would know exactly what it should report. The instructions were essentially the same for each class of firm in each metropolitan area:

(1) The wholesale and producer distributors were requested to report total sales of eggs into consumer consumption outlets in the metropolitan area; that means sales to all types of retail stores, hotels, restaurants, other public eating places, colleges, hospitals, other institutions serving meals, milk distribution companies, peddlers, and private households. They were not to report sales to other egg distributors, bakeries or other food manufacturers, or brokers as movements into retail channels.

(2) Large food chains were requested to report total cases of eggs moved into retail channels (except their purchases from metropolitan area wholesale distributors and milk distribution companies). They were to include direct deliveries to their retail stores by all firms outside the metropolitan area, as well as all other movements from their warehouse, country plants, producers, and other sources. Sales to breakers by food chains were not to be reported as movements into retail channels.

(3) Milk distribution companies were asked to report total sales into consumer consumption outlets in the metropolitan area. This included all sales to private households, peddlers, subdealers, retail stores of all types, eating places of all types, and institutions serving meals. They were not to include purchases from or sales to metropolitan area distributors as movements into retail channels.

The second improvement was to increase the number of reporting firms from a hand-selected sample to those in the defined commercial universe. This improved the representation in volume moved by the city wholesale distributors in Los Angeles and decreased the influence of the food chains. In San Francisco and Seattle the additional data resulted in weekly reports that were less variable and more accurate

than ever before. The volume reported by the commercial universe in each city represented a large percentage of the actual movements shown for the entire survey (table 2). The increase in the number of cooperating firms raised the volume reported in Los Angeles, San Francisco, and Seattle from a low of 56.9 to over 80 percent of the total estimated consumption of eggs in the metropolitan areas.

The third major means of improving the reports was the establishment of a new estimating procedure that enables the reporter to issue an estimate of the total number of cases of eggs moved into retail channels by all firms in the commercial universe. Under this system each firm in the commercial universe has an influence on every weekly report. All firms are requested to report by mail every week. If reports are not received from all large volume firms by Wednesday noon, the market reporter telephones these nonresponding firms for the information. If information still cannot be obtained from one of the large firms, the market reporter, using all the information available to him about this firm's past sales and about the sales of similar firms, estimates its volume for that week. The smaller firms are stratified into groups that contain firms within narrow ranges of individual volumes. If mail reports do not come in from half the smaller firms, nonrespondents are called by telephone until half or more have reported. Total sales volume of the group is estimated using the ratio of the total number of firms in the group to the number of firms reporting. For example, if 15 firms report out of a group of 20, the total volume is estimated at 20/15 of the volume reported by the 15 firms. Experiments indicated that results of this procedure did not differ greatly from the results that would be expected of a complete enumeration. The volume that needs to be estimated is usually small. During the first month the improved reports were issued, less than 5 percent of the total volume moved by each commercial universe had to be estimated. The old reports that were prepared on the matched-plant basis required that every firm respond each week or that a nonresponding firm (large or small in retail movements) would not be included in either the current or forthcoming week's comparisons which make up the published reports.

Under the new estimating procedure, percentage change figures are still being issued for the current week and for the same week a year earlier. The estimated volume of eggs moved into retail channels each week is now being released along with the percentage change figures. These reported volume figures can be added together to obtain movement data for a longer period of time (an example would be a 4-week moving average) for each metropolitan area and for all the metropolitan areas together. A sample report follows:

MOVEMENT INTO RETAIL CHANNELS - WEEK ENDING JULY 9, 1960

This report is compiled from data furnished by the metropolitan areas: Retail food chains, milk distributing companies, and wholesale and producer distributors that move 100 or more cases (30-dozen) per week.

Markets	Week Ending 7/9/60	Week Ending 7/2/60	Percentage Previous Week	Change From Previous Year
Portland-Vancouver	7,389 cases	8,020 cases	- 8%	No comparison
San Francisco	53,440 cases	61,346 cases	-13	" "
Seattle	15,827 cases	15,925 cases	- 1	" "
Los Angeles	97,181 cases	99,381 cases	- 2	" "
Chicago	53,200 cases	56,800 cases	- 6	+ 4

Table 2.--Net movement of eggs into specified retail channels, 3 reporting methods, 4 west coast metropolitan areas for one month in 1959

Area, date, and reporting method	Egg handlers reporting 1/	Retail Channels: Food store chains		Independent food stores		Milk distribution companies		Institutions		Non-institutional eating places		Net total movement into retail channels	
	Firms	Cases	Pct.	Cases	Pct.	Cases	Pct.	Cases	Pct.	Cases	Pct.	Cases	Pct.
Los Angeles (Feb. 1959)													
Survey 2/....	159	160,770	41.0	130,852	33.4	43,037	11.0	16,091	4.1	41,019	10.5	391,769	100
New report 3/	67	159,849	44.7	121,218	33.8	37,398	10.4	8,267	2.3	31,445	8.8	358,177	100
Old report ..	12	152,829	60.3	66,289	26.2	19,623	7.8	2,559	1.0	11,972	4.7	253,272	100
San Francisco (March 1959)													
Survey 2/....	83	114,489	48.5	70,452	29.9	29,121	12.4	7,037	3.0	14,561	6.2	235,660	100
New report 3/	25	113,525	49.5	68,137	29.7	27,202	11.9	6,670	2.9	13,678	6.0	229,212	100
Old report ..	7	98,347	52.5	54,519	29.1	25,931	13.9	2,745	1.5	5,645	3.0	187,187	100
Seattle (Feb. 1959)													
Survey 2/....	36	32,322	48.0	19,928	29.6	4,132	6.1	2,497	3.7	8,463	12.6	67,342	100
New report 3/	18	31,926	49.3	19,092	29.5	3,656	5.6	2,383	3.7	7,695	11.9	64,752	100
Old report ..	4	21,271	59.1	9,850	27.3	1,523	4.2	619	1.7	2,784	7.7	36,047	100
Portland (June 1959)													
Survey 2/....	69	12,361	34.1	18,425	50.8	1,884	5.2	903	2.5	2,675	7.4	36,248	100
New report 3/	20	12,080	37.7	15,963	49.9	1,060	3.3	800	2.5	2,122	6.6	32,025	100

1/ Wholesale and producer egg distributors, food chains, milk distributing companies, and restaurant chains.
2/ All known egg handling firms.
3/ Egg handlers moving 100 or more cases per week into retail channels.

The fourth means of improving the reports was to speed up the release date by one day from Thursday to Wednesday following the week that the reports cover. If the reports could be released even sooner -- on for instance Tuesday -- this would automatically improve their usefulness in helping members of the egg industry arrive at important marketing and pricing decisions that are made during the early part of the week.

DEVELOPMENT OF NEW AND IMPROVED REPORTS

The improved reports and the new report in Portland-Vancouver were developed to obtain the total measurable volume of eggs that move weekly into various retail channels whether it was to chain and independent grocery stores, restaurants, hotels, institutions, dairies or milk distribution companies, home delivery routes and possibly even to the individual consumer. The main objective was to develop a report that could measure feasibly accurate and representative movements of shell eggs into the marketing channels closest to the ultimate consumer. Using these criteria an analysis can be made of the old and improved reports in Los Angeles, San Francisco, Seattle and the new report in Portland-Vancouver.

Los Angeles

Evaluation of the Old Weekly Report

The weekly report on the movement of eggs into retail channels in Los Angeles was initiated in 1945. In February 1959 only 12 firms provided data for the weekly report. These 10 wholesale distributors and 2 corporate food chains reported moving 253,272 cases of eggs into the metropolitan area's food chainstores, independent food stores, restaurants, milk distribution companies, and institutions of all types during February 1959. This volume represented 56.9 percent of the estimated 445,430 cases of eggs consumed in the Los Angeles metropolitan area in February 1959. 4/ The influence of 55 other large firms in the metropolitan area was unknown. Thus the old report was not representative of the total market movements. As in the old Chicago retail movement report, the movements of eggs through food chains had a heavy influence on the accuracy and representativeness of the old Los Angeles report. Over 60 percent of the reported direct retail movement was through large chains in the old report, while the actual movement into chains according to the survey was only 41 percent of the market total. Thus movements of eggs by wholesale distributors into independent retail stores, restaurants, and institutions were under-reported. (See table 2.)

Establishment of an Improved Report

The survey of 456 firms presumed to be handling eggs in the Los Angeles metropolitan area (which consists of Los Angeles and Orange counties) showed that only 159 firms moved 391,769 cases of eggs into various retail channels in February 1959. The other 297 firms were purchasing eggs from the 159 firms, or were not

4/ The consumption estimate is based on the February 1959 national average per capita consumption rate of 25.1 shell eggs and a 1958 population estimate of 6,388,700. The margins of error in the elements of the consumption estimate are not known.

handling eggs, or were out of business. This complete enumeration of all shell-egg handling firms in the metropolitan area indicated that coverage in the old report was incomplete and unrepresentative. The new universe of 67 egg distributors, which include the 12 firms reporting for the old report, moved 358,177 cases of eggs during February 1959, or 80 percent of the average estimated consumption of eggs in the Los Angeles metropolitan area. Of the 147 wholesale distributors, 60 sold enough eggs to retail outlets to qualify for the commercial universe. Of the 48 food chains in the area only 3 qualified for the commercial universe; the remaining 45 chains purchased their eggs from wholesale and producer distributors or milk distribution companies. These 3 chains received eggs from wholesale distributors, country egg shippers, and local producers. They purchased 88 percent of their eggs from local producers and country shippers. Therefore, they performed practically the same assembling and purchasing functions as the local distributors and were instructed to report their movements of eggs into retail channels as a local egg distributor.

Of the 64 milk distribution companies surveyed, 24 purchased eggs from country shippers and producers, but only 4 of these were large enough to qualify for the commercial universe.

The increased volume reported by the 60 wholesalers, 3 food chains, and the 4 milk companies in the new commercial universe raised the representation in volume moved by wholesale distributors from about 73 percent of the total weekly reported movement to 79 percent. It decreased the share of the chains' reported movements from over 27 to less than 20 percent of the total. The remaining 1 percent is reported by the milk distribution companies.

In the first month following the issuance of the report, it was necessary to estimate less than 5 percent of the total volume moved by the commercial universe. This volume would not have been included if the report were still established on the matched-plant basis. The first 4 weeks the revised report was in operation, an estimated 378,987 cases of eggs were reported moved into retail channels.

San Francisco

Evaluation of the Old Weekly Report

The weekly report on movement of eggs into retail channels in San Francisco was begun in 1944. In March 1959 the reports were based on data received from 3 wholesale distributors, 1 food chain and 3 milk distributing companies. For the month of March 1959, this group of firms reported a net movement of 187,187 30-dozen cases of shell eggs into the metropolitan area's retail channels. This volume movement was 86.8 percent of the total estimated 215,570 cases of shell eggs consumed in the metropolitan area (which includes Alameda, Contra Costa, Marion, San Francisco, San Mateo, and Solano counties). 5/

The old report of the San Francisco metropolitan area was more representative of the total market movements than the old Chicago and Los Angeles reports. It may be recalled that in Los Angeles the wholesale distributors' sales were under-reported by 6 percent. In San Francisco the old report and the new report in this respect were practically the same. For comparisons among metropolitan areas see tables 2 and 3.

5/ The consumption estimate is based on the national average per capita consumption rate of 28.7 shell eggs during March 1959 and a 1958 population estimate of 2,704,000. The margins of error in these estimates are not known.

Table 3.--Egg sales by wholesale and producer distributors to retail outlets, and as percentage of net total movement into retail channels, 3 reporting methods, 4 west coast metropolitan areas, for one month in 1959

Area, date, and reporting method	Distributors reporting	Distributors' sales to--						Distributors' sales as percentage of net sales by all firms
		Independent retailers	Chain food stores	Milk distribution companies	Institutions	Non-institutional eating places	All retail outlets	
	Firms	Cases	Cases	Cases	Cases	Cases	Cases	Percent
Los Angeles (Feb. 1959):								
Survey.....	128	130,698	90,471	37,360	16,091	40,171	314,791	80.4
New report.	60	121,218	89,701	32,631	8,267	31,445	283,262	79.1
Old report.	10	66,289	83,559	19,623	2,559	11,972	184,002	72.6
San Franoisco (March 1959):								
Survey.....	60	70,134	79,201	22,037	7,037	14,561	192,970	81.9
New report.	19	68,001	79,201	21,947	6,670	13,678	189,497	82.7
Old report.	3	54,383	70,605	20,676	2,745	5,645	154,054	82.3
Seattle (Feb. 1959):								
Survey.....	28	19,928	31,211	3,798	2,497	8,423	65,857	97.8
New report.	17	19,090	31,191	3,656	2,383	7,695	64,017	98.9
Old report.	4	9,850	21,271	1,523	619	2,784	36,047	100.0
Portland (June 1959):								
Survey.....	40	16,851	3,693	1,849	903	2,323	25,619	70.7
New report.	17	14,883	3,480	1,060	800	2,002	22,225	69.4

Establishment of an Improved Report

There were 83 firms in the metropolitan area which moved eggs into retail channels. Of these, 25 were "commercial," moving 100 or more cases a week: 19 were wholesale or producer distributors, 3 were food store chains, and 3 were milk distributing companies. (Detailed description of volume movements by each segment of this market begins on page 19). To eliminate all forms of duplication in reporting retail eggs movements, firms in all 4 cities were given specific instructions on what to report weekly. Firms in San Francisco were requested not to report sales to steamship lines as movements into retail channels.

The 229,212 cases of eggs reported moved during March 1959 by the 25 "commercial" firms were 97.3 percent of the 235,660 cases moved by all 83 firms reporting in the entire survey. This new universe of firms raised reported retail egg movements to 6 percent above the estimated consumption of eggs in the metropolitan area.

A household food consumption survey in 1955 showed that residents on the west coast generally consumed more eggs than the national average consumption rate 6/. Therefore retail movement of eggs during the month of March 1959 may not be as far out of line with estimated consumption as the percentage figure indicates.

Seattle

Evaluation of the Old Weekly Report

The Seattle report of movement of eggs into retail channels was begun in 1951. In February 1959 the Seattle report was based on information from 4 wholesale distributors that moved 36,047 cases of eggs into the area's retail channels (table 2). The report covered about 59 percent of the estimated consumption of eggs in the area, when all 4 firms reported each week. 7/ The report was fairly representative of the area movements but more variable in the movement into all types of retail outlets than that reported by the firms surveyed. The old report did not indicate the influence that other important egg distributors in the area had upon the metropolitan area's retail sales during certain seasons and holidays.

Establishment of an Improved Report

In February 1959 eggs were handled in the Seattle metropolitan area by 29 commercial wholesale distributors, 12 food store chains with 3 or more supermarkets, 18 milk distribution companies with 10 or more routes, 4 restaurant chains, and 2 voluntary food chains. These firms reported receiving 124,661 30-dozen cases of shell eggs during February 1959. Thirty-six of these firms moved 67,342 cases of eggs into retail channels without duplication in reporting. This is probably the net volume of eggs moved commercially for direct consumption and represents 109.4 percent of the estimated consumption of eggs for the Seattle metropolitan area as estimated from national average rates of per capita consumption.

6/ U. S. Agricultural Research Service and Agricultural Marketing Service. Dietary Levels of Households in the West. Household Food Consumption Survey 1955, Report No. 10, 68 pp., July 1957. See table 13, page 42.

7/ The estimated consumption figure is based on the February 1959 national average per capita consumption rate of 25.1 shell eggs and a 1958 population estimate of 882,930.

Firms large enough to qualify for the commercial universe, 17 egg distributors and 1 food chain, moved 64,752 cases of eggs into the area's retail channels. This was 105 percent of the estimated consumption in February 1959. These firms' reported volume was highly representative of the actual movements to all types of retail outlets shown for the entire survey (table 2). The retail movements shown for both the new report and the complete survey indicate that per capita egg consumption in Seattle is higher than the national average consumption rate.

A summary of the trial reporting period, (weeks ending October 10, 1959, through February 27, 1960) indicated that by increasing the sample to 18 firms the rate of change in weekly volume of movements for the Seattle metropolitan area was 3 percent less than for the sample of 4 firms used in the earlier reports. Therefore, the revised report is less variable than the old report and is more reliable as an indicator of retail sales. Table 4 compares the old and new weekly percentage change figures for the 5 weeks ending in January 1960.

The defined universe of 17 wholesale and producer distributors and 1 food chain range in average retail movements from 100 to 4,500 cases per week. About 98 percent of the net total movement into retail channels was accomplished by the 17 wholesale distributors.

Only one type of mail questionnaire was designed for collecting weekly retail movement data from the 18 firms in the Seattle commercial universe. The questionnaire designed for wholesalers was used and the firms were also requested not to include sales to Alaska or any other sales outside the metropolitan area as retail movements.

Portland-Vancouver

Establishment of a New Report

Of 118 firms presumed to be handling eggs in the Portland-Vancouver metropolitan area in July 1959, 77 were found to be actively handling shell eggs, but only 20 moved an average of 100 or more cases of eggs per week into retail channels. Of these 20 firms, 13 were wholesale distributors, 4 were producer distributors, 2 were corporate food chains, and the remaining firm was a milk distribution company. These 20 firms moved 32,025 cases of eggs into retail channels in June 1959. This volume represented only 57.9 percent of the total estimated consumption of eggs in the area during July, but accounted for 88 percent of the total commercial movement of eggs into retail channels by all firms surveyed. 8/ The published weekly report does not cover as much of the estimated consumption of eggs as the other 3 west coast reports because a great number of producer-distributors, too small to be in the commercial universe, move their own eggs directly to small local stores, restaurants, and hotels. To collect the movement of eggs directly from farmers is impractical or at the least very expensive. A large number of producers would have to be contacted weekly to greatly increase the volume reported. The mail questionnaire developed to collect weekly data in Portland and Vancouver is identical to the one used in collecting weekly retail movement data in Seattle.

8/ Estimated consumption is established on the 1958 population estimate of 829,220 for the Portland-Vancouver metropolitan area and the June 1959 national per capita consumption rate of 24.0 shell eggs.

Table 4.--Reported weekly movement of eggs into retail channels in new reports, and percentage change from previous week under new and old reports, 3 west coast cities, weeks ending in January 1960

Week ending	Los Angeles			San Francisco			Seattle		
	New report		Old report change from previous week	New report		Old report change from previous week	New report		Old report change from previous week
	Retail movements	Change from previous week		Retail movements	Change from previous week		Retail movements	Change from previous week	
	Cases	Percent	Percent	Cases	Percent	Percent	Cases	Percent	Percent
January 2	88,700	- 8	-11	---	---	- 3	14,100	- 8	0
January 9	105,300	12	13	---	---	25	14,800	5	7
January 16	100,900	- 4	- 7	59,300	---	1	16,600	12	8
January 23	93,900	- 7	- 8	54,000	- 9	-10	15,000	-10	-18
January 30	92,900	- 1	- 1	57,100	5	6	15,300	2	8

MARKETING CHANNELS IN FOUR WEST COAST METROPOLITAN AREAS

The first section of this publication dealt with the evaluation of old weekly reports and development of new and improved weekly reports. This section on marketing channels describes the initial survey results of all firms believed to be handling eggs in each metropolitan area. This survey was necessary before the old reports could be evaluated for accuracy and representativeness of the total movement into the various areas. Also without knowing the type of operations performed by various kinds of firms, their volume, and the number of such firms, it would have been impossible to establish a commercial universe for the new and improved reports that would not contain duplicated volume.

Los Angeles

During the first week of March 1959, questionnaires were mailed to 456 firms believed to be handling eggs in the Los Angeles metropolitan area. Of these firms, 273 reported handling 624,893 cases of shell eggs, 55 had gone out of business, and 128 were not handling eggs. However, 159 of these firms moved 391,769 cases of eggs into retail channels in February 1959 without duplication in reporting (table 2).

Over 68 percent of the net total movement of 452,691 cases of eggs into retail channels, egg breakers, and outlets outside the area, in February 1959 were reported sold in cartons. Country shippers supplied 4 percent of the cartoned eggs while 110 local distributors cartoned the remaining 96 percent. The 59 firms that are currently reporting weekly movement data cartoned over 95 percent of the 299,559 cases of eggs cartoned by all firms in the Los Angeles metropolitan area. In Chicago it was found that only 35 percent of the net total sales of cartoned eggs were placed in cartons by local Chicago area distributors.

Figure 1 shows the quantity of eggs that were reported moved into and through various channels and marketing firms in the Los Angeles metropolitan area during February 1959. Three different types of firms in the area purchased eggs directly from producers; the 147 wholesale distributors were the largest purchasers. The 48 food chains and 64 dairies purchased eggs from producers, country shippers, and wholesale egg distributors. During February 1959 the market's supply and demand forces were fairly equal since 42,824 cases of eggs were purchased from various country shippers while the wholesalers sold 40,720 cases of eggs to firms outside the metropolitan area.

Wholesale Egg Distributors 9/

An analysis of the information available on egg handlers revealed that 299 firms in the Los Angeles metropolitan area were classified as wholesale egg distributors. A survey of these firms disclosed 147 were active wholesale egg distributors and the remaining 152 firms were duplicates, were out of business, did not handle eggs, or the questionnaires were unclaimed. The 147 firms moved 412,157 cases of eggs into various channels in February 1959. However, the net total movement

9/ Most wholesale egg distributors in the Pacific region perform the functions of farm assembly, candling, cartoning, and city distribution to retail stores, restaurants, institutions, and consumers. Some are egg producer-distributors that candle, carton, and distribute their own eggs to retail outlets. A few are strictly jobbers and wholesalers of the traditional type.

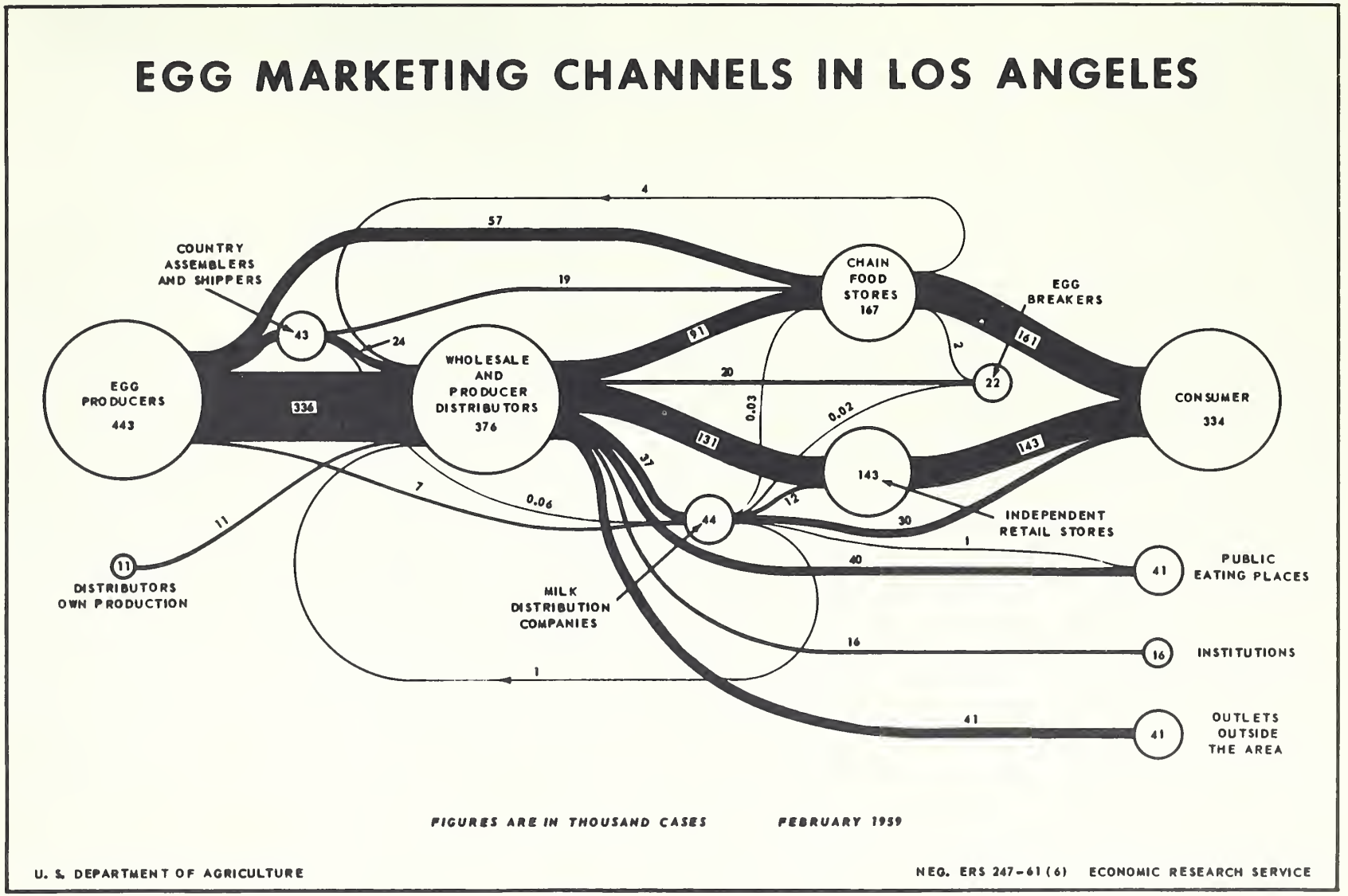
EGG MARKETING CHANNELS IN LOS ANGELES
COUNTRY ASSEMBLERS AND SHIPPERS
EGG PRODUCERS 443
43
336
24
WHOLESALE AND PRODUCER DISTRIBUTORS 376
57
19
4
CHAIN FOOD STORES 167
91
20
0.03
0.02
131
37
7
0.06
11
DISTRIBUTORS OWN PRODUCTION
11
MILK DISTRIBUTION COMPANIES
44
12
1
143
30
INDEPENDENT RETAIL STORES
EGG BREAKERS
2
22
161
143
CONSUMER 334
40
41
PUBLIC EATING PLACES
16
16
INSTITUTIONS
41
41
OUTLETS OUTSIDE THE AREA
FIGURES ARE IN THOUSAND CASES
FEBRUARY 1959
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Figure 1

into retail outlets of 314,791 cases of eggs was accomplished by only 128 firms. The remaining 23.6 percent of the eggs handled by the 147 firms were moved as follows: 9 percent to city wholesale egg distributors, 4.7 percent to egg breakers, and 9.9 percent to other outlets outside the metropolital area.

The 128 wholesale egg distributors handled over 80 percent of the total commercial movement of eggs into the Los Angeles retail channels in February 1959. The distribution of these sales, shown in table 3, was to (1) independent food stores, 41.5 percent; (2) chain food stores, 28.7 percent; (3) milk companies, 11.9 percent; (4) institutions, including schools, government agencies, and industrial plant cafeterias, 5.1 percent; and (5) to restaurant chains and all other eating places, 12.8 percent.

The 147 wholesale distributors received 81.4 percent of their total eggs directly from producers, 8.3 percent from country shippers and their own integrated farms, and the remaining 10.3 percent from suppliers within the area.

Corporate and Voluntary Food Chains

Eighteen wholesale distributors furnished the total volume of eggs moved by 42 of the 54 chains surveyed. Six food chains purchased from country shippers and producers 70,299 cases of eggs which were moved into their retail stores in February 1959 in the Los Angeles metropolitan area. The remaining 6 chains were duplicates or most of their stores were located outside the metropolitan area. Nearly all of the receipts from wholesale distributors were in cartons. Only two food chains reported putting 37.5 percent of the food chain store receipts into cartons.

Milk Distribution Companies

Of the 79 milk distribution companies listed only 64 were reported handling eggs.

The 64 milk companies reported that 44,039 cases of eggs moved through their organizations in February 1959. Of these, 37,360 cases came primarily from Los Angeles wholesale distributors. The remaining 6,679 cases, of which 5,176 were in cartons, were received by 24 firms, principally from producers; only 58 cases came from country shippers. The 6,679 cases of eggs handled by these 24 companies represent the net total movement into the area's retail channels by all milk companies without duplication in reporting. The milk distribution companies' net movements of 6,679 cases of eggs into retail channels were distributed as follows: Through their own milk delivery routes 85 percent, public eating places 13 percent, and independent retail stores 2 percent.

Restaurant Chains

Included in the Los Angeles survey were 24 restaurant chains of which 14 reported handling 1,982 cases of eggs in February 1959. The other 10 were drive-in chains that did not serve eggs. Their entire supply was received from the area wholesale distributors and milk distributing companies. The wholesale distributors and milk companies surveyed reported moving 41,019 cases of eggs to all types of restaurants and eating places during the month of February.

San Francisco

Late in March 1959, questionnaires were mailed to 224 firms in the San Francisco metropolitan area. Replies indicated that 132 of these firms received 333,191 cases of eggs during March 1959; 10 firms had gone out of business, 34 were essentially duplicates of other firms egg sales in the area, and 49 either did not handle eggs or the questionnaires were unclaimed.

Of the 333,191 cases of eggs reported received by the active egg-handling firms surveyed in San Francisco, 177,880 cases were purchased from producers, 66,628 cases from country shippers, 448 cases from wholesale distributors own production or producer distributors and 88,235 cases from local metropolitan egg distributors. Figure 2 is a flow chart of the entire reported movement of eggs from producer to retail and other outlets in San Francisco for the month of March 1959. The figures on the charts do not equal the total receipts by responding firms in the survey due to sales by distributors to small firms which were not surveyed, such as independent grocery stores, small dairies and restaurants.

Over 58 percent of the eggs handled by the 131 firms were sold as cartoned eggs in the San Francisco metropolitan area. About 50 percent of the total receipts were put into cartons by 31 San Francisco egg handlers. The remaining cartoned eggs (less than 9 percent of the receipts) were received from producers and country shippers.

Wholesale Egg Distributors

Of the 109 wholesale distributors surveyed, 60 were actively engaged in wholesale egg distributing functions, 8 had gone out of business, 24 were essentially duplicates in movements by other firms, in name and for trade names of the same firm, and 17 did not handle eggs or the questionnaires were unclaimed. The 60 firms received and moved 211,567 cases of eggs into various channels in March 1959; the net total movement into retail outlets was 192,970 cases (table 3). The remaining eggs were moved as follows: 5 percent to city wholesale egg distributors, 2.6 percent to egg breakers, and 1.2 percent to other outlets outside the metropolitan area.

The 60 wholesale distributors surveyed received 82.8 percent of their eggs directly from producers, 11.7 percent from country shippers, and 5.5 percent from suppliers within the area. Eighteen wholesalers purchased in cartons over 6 percent of the total receipts handled by 60 firms. Twenty-nine wholesale distributors cartoned 65.6 percent of the total receipts.

Corporate Food Chains

The 28 responding food chains purchased 116,656 cases of eggs during March 1959. Over 67.8 percent of their receipts were purchased from 22 wholesalers, 29.2 percent from country shippers, and 0.8 percent from milk distribution companies, and the remaining 2.7 percent were purchased directly from producers. Of the eggs purchased in cartons by 28 chains, 54,095 cases came from wholesale distributors and 4,653 were from country shippers. Only one chain reported cartoning eggs. The food chains sold 1,000 cases of eggs to the local wholesalers and 1,167 cases to local egg breakers; the remaining volume went into their retail stores.

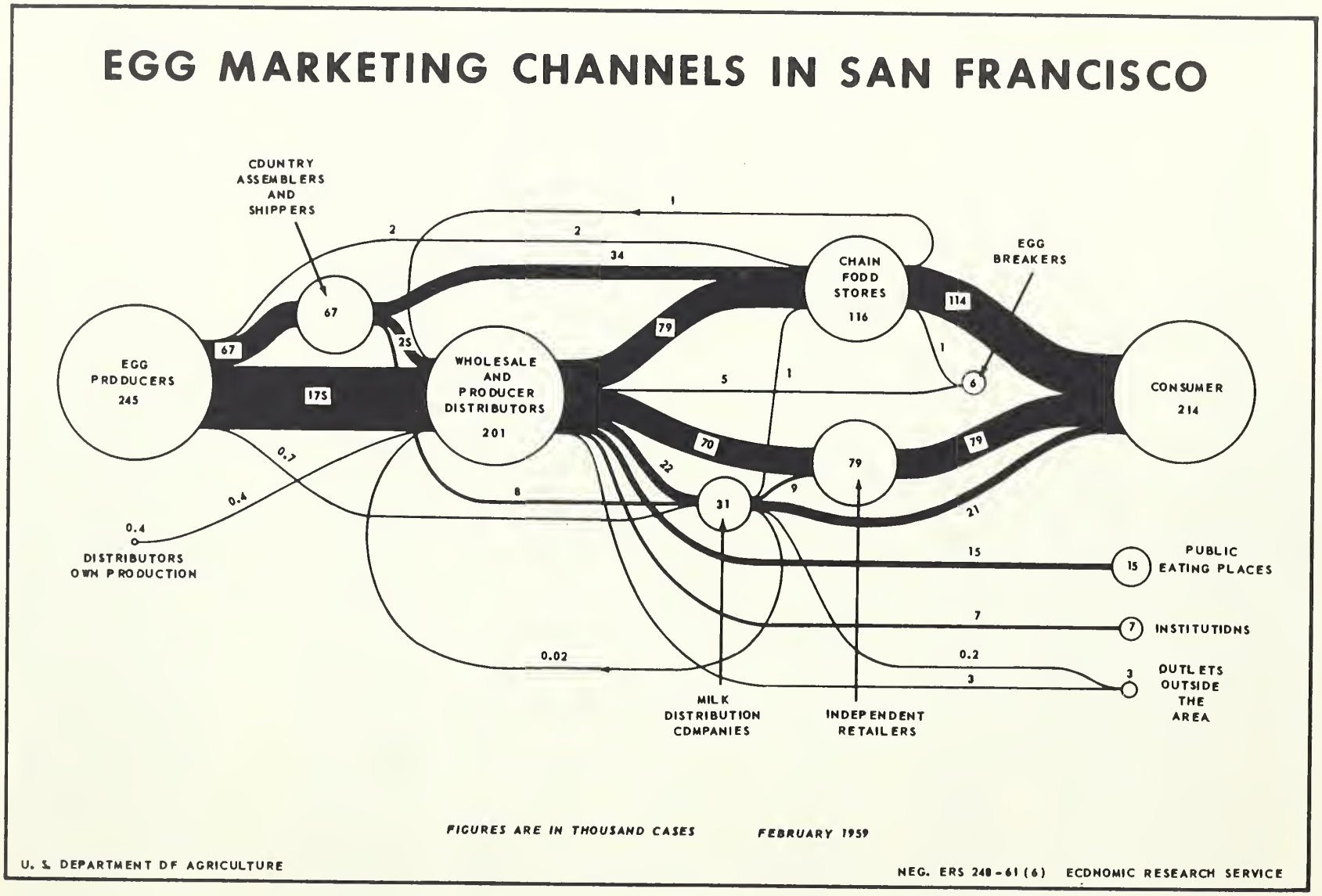
EGG MARKETING CHANNELS IN SAN FRANCISCO
COUNTRY ASSEMBLERS AND SHIPPERS
EGG PRODUCERS 245
WHOLESALE AND PRODUCER DISTRIBUTORS 201
CHAIN FOOD STORES 116
EGG BREAKERS
CONSUMER 214
DISTRIBUTORS OWN PRODUCTION
MILK DISTRIBUTION COMPANIES
INDEPENDENT RETAILERS
PUBLIC EATING PLACES
INSTITUTIONS
OUTLETS OUTSIDE THE AREA
67
175
25
2
2
34
1
79
114
1
5
1
6
70
79
79
22
9
31
8
21
0.7
0.4
0.4
15
15
7
7
0.02
0.2
3
3
FIGURES ARE IN THOUSAND CASES
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Figure 2

Voluntary Food Chains

The voluntary chains surveyed were wholesale grocers who handled only dried and canned foods. The independent stores who are members of these buying groups purchase most of their eggs from wholesale distributors, who apparently regard these groups as chains.

Milk Distribution Companies

Of the 83 milk distributing companies listed in San Francisco, only 41 reported sales of eggs.

Like the food chains, the milk distributing companies obtained most of the volume from the wholesale distributors. The milk distributing companies stated they received 22,037 cases of eggs from wholesale distributors. In addition, 17 milk distributing companies retailed 8,517 cases of eggs that were purchased from producers and country shippers and received from their own production. Over half of the dairy companies' receipts were in cartons.

Restaurant Chains

Three restaurant chains were surveyed and as in Los Angeles all of their egg supplies were obtained from local distributors. The volume obtained from wholesale distributors is shown in table 3.

Seattle

In the Seattle survey, questionnaires were mailed to 82 firms during the first week of March 1959; 65 of these firms reported handling 118,217 cases of eggs, 11 were duplicates, 1 had gone out of business, and 6 were not handling eggs. However, only 36 of these firms moved 67,342 cases of eggs into retail channels without duplication in reporting (table 2).

About 41 percent of the total egg receipts of 118,217 cases were reported put in cartons by 25 area egg handlers. Nineteen firms reported receipts of 24,945 cases of cartoned eggs from the area wholesale distributors. This was over 93 percent of the total cartoned receipts. In Seattle only 2 milk distribution companies cartoned 392 cases of eggs, and no food chains reported operating any candling and cartoning rooms. Figure 3 provides a flow diagram of the volume of eggs that moved from the producers through the retail outlets. Unlike the Los Angeles market, the area distributors purchased about 90 percent more eggs from sources outside the area than they shipped to other firms outside of Seattle.

Wholesale Egg Distributors

Of the 39 wholesale distributors surveyed in the Seattle metropolitan area, 28 reported sales directly into retail channels, 1 handled eggs but did not move any into retail channels, 1 was out of business, 3 did not handle eggs, and 6 were duplicates of other firms.

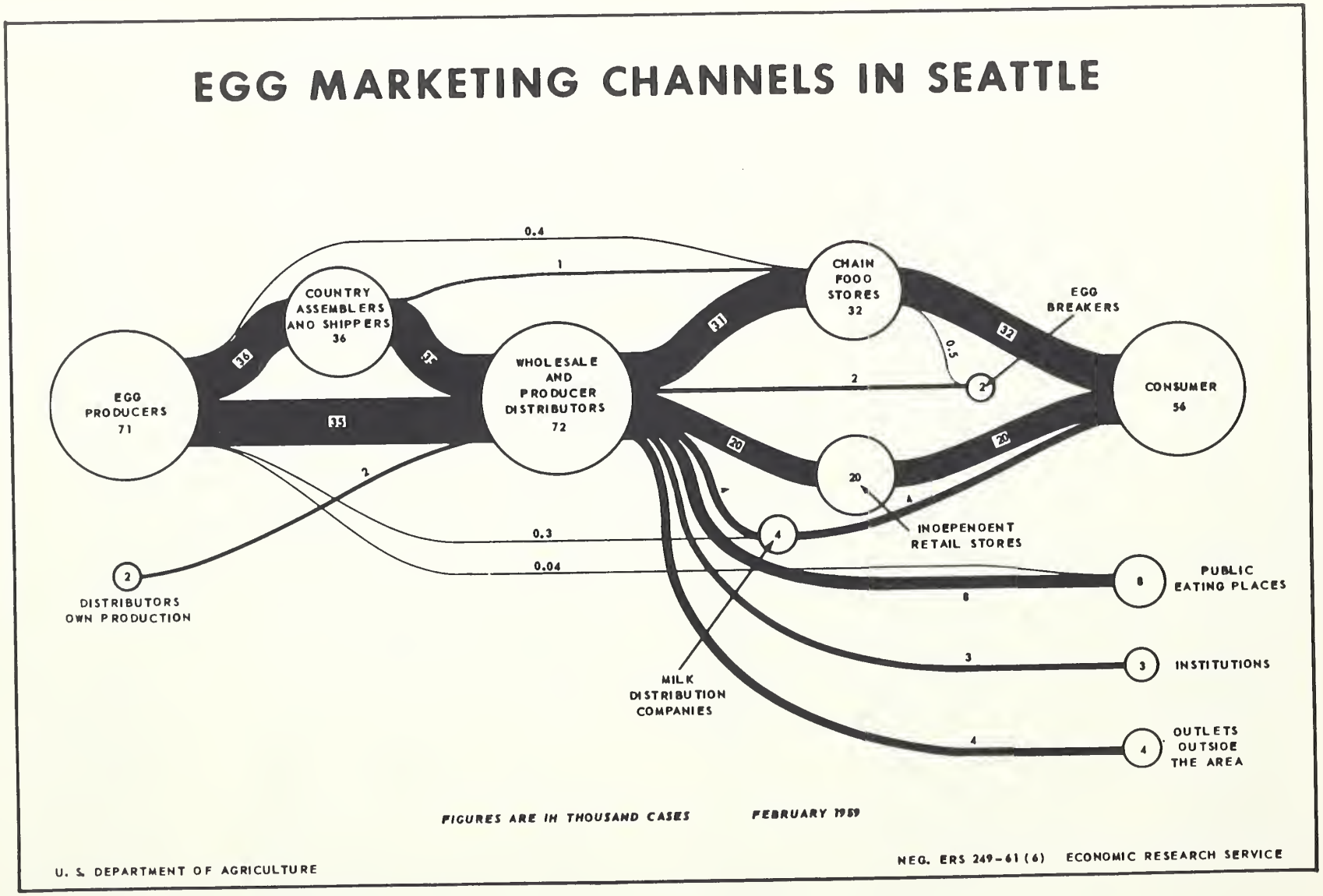
EGG MARKETING CHANNELS IN SEATTLE
EGG PRODUCERS 71
COUNTRY ASSEMBLERS AND SHIPPERS 36
WHOLESALE AND PRODUCER DISTRIBUTORS 72
CHAIN FOOD STORES 32
EGG BREAKERS
CONSUMER 56
INDEPENDENT RETAIL STORES
PUBLIC EATING PLACES
INSTITUTIONS
OUTLETS OUTSIDE THE AREA
MILK DISTRIBUTION COMPANIES
DISTRIBUTORS OWN PRODUCTION
0.4
1
36
35
2
31
2
0.5
32
20
20
20
4
0.3
0.04
2
4
8
3
4
FIGURES ARE IN THOUSAND CASES
FEBRUARY 1959
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Figure 3

In addition to moving 65,857 cases of shell eggs into the area's retail channels, the wholesale distributors also moved 7,365 cases to area egg dealers, egg breakers, and to outlets outside the metropolitan area. The distribution of their sales to retail outlets (of which 74.5 percent were in cartons) was (1) 30.2 percent to independent food stores, (2) 47.4 percent to chain food stores, (3) 5.8 percent to milk companies, (4) 3.8 percent to institutions, and (5) 12.8 percent to noninstitutional eating places.

The wholesale distributors received 47.9 percent of their eggs (of which about 1 percent were in cartons) from country shippers, 49.7 percent (none in cartons), directly from independent and contract farmers and the remaining 2.4 percent (of which more than 4 percent were in cartons) from other area wholesalers.

Corporate and Voluntary Food Chains

Of the 12 food chains surveyed, 10 reported moving 32,865 cases of eggs into the area's retail channels, but only 1,111 cases of these eggs could be reported by the chains without duplicating sales to chains by the wholesale distributors. Over 50 percent of all eggs received by chainstores were in cartons. Two chains did not provide volume information, but they reported receiving their eggs from local wholesale distributors. Two of the three voluntary food chains surveyed (one was a complete duplication of another) reported receipts of 8,600 cases of eggs, all from wholesale distributors, with about 81 percent in cartons. None of the voluntary or corporate food chains reported cartoning eggs, but it is doubtful that over 36 percent of the eggs sold in their retail stores were not in cartons.

Milk Distribution Companies

Eighteen of the 22 milk distribution companies surveyed reported 3,355 cases of eggs moved through their retail establishments during the survey period. With the exception of 334 cases of eggs received from producers, their supplies were received from wholesale distributors and principally in cartons.

Restaurant Chains

Four of the six restaurant chains surveyed reported receipts of 178 cases of eggs. All but 40 cases were received from the local wholesale distributors.

Portland-Vancouver

Five types of firms were surveyed for retail movement information in the Portland metropolitan area during July 1959. These firms were composed of 67 wholesale and producer distributors, 13 corporate food chains, 24 milk distribution companies, 4 voluntary or independent food chains, 7 independent food stores, and 3 restaurant chains. Of these 118 firms only 69 reported volumes of eggs handled, but 8 additional firms reported purchasing eggs from local metropolitan area suppliers. Fourteen firms did not handle eggs, 6 were out of business, 6 were duplicates of other area firms and 15 firms could not be located by the postal service or in the telephone directories.

The commercial universe of 20 firms moved 32,025 cases of shell eggs into retail channels while 52 reporting firms reported only 36,248 cases moved in June 1959 (table 2). This retail movement by 52 firms represented over 65 percent of the estimated consumption of eggs in the metropolitan area. Only 485 cases of shell eggs were received in cartons from firms outside the area while 24,218 cases were cartoned by firms in the metropolitan area. These 24,703 cases represent 68 percent of the total retail movements. The eggs were put into cartons by 3 different types of firms: 24 wholesale distributors cartoned 61.8 percent, 4 corporate food chains cartoned 35.8 percent, and 2 milk distribution companies cartoned the remaining 2.4 percent. Therefore, in Portland over 99 percent of the cartoning is still done by the local metropolitan firms. The shift to buying cartoned eggs at country points has not taken hold in this market as it has in Chicago.

Wholesale Distributors

In the Portland-Vancouver metropolitan area there were 24 wholesale distributors that handled eggs. These firms purchased 92,908 cases of eggs during June 1959. Only 263 cases of these eggs were purchased in cartons whereas the wholesalers cartoned 14,968 cases. Producers supplied 79,287 cases of eggs, 2,772 cases were purchased from country shippers, 378 cases from producer distributors and the remaining 10,849 cases were sales between the distributors themselves. Twenty-three firms moved 18,362 cases of eggs into retail channels with 12,447 cases going to independent retail stores, 3,675 cases to chain food stores, 883 cases to dairies, 90 cases to institutions, and 1,267 cases to noninstitutional eating establishments. The wholesalers sold 63,697 cases to firms in Alaska, Seattle, and other outlets along the west coast.

Producer Distributors

Sixteen producer distributors of shell eggs responded to the survey for retail movement information in July 1959. These 16 producers handled 7,969 cases of eggs during June 1959 -- 5,146 cases were produced by their own hens and 2,823 cases were purchased from neighboring producers. All of the eggs sold by the producer distributors were in loose packs, with 4,738 cases delivered to independent retail stores, 18 cases to chainstores, 966 cases to milk distribution companies, 1,056 cases to noninstitutional eating places, and 813 cases to institutions. The only sales that did not go directly to retail outlets were 378 cases sold to the local wholesale distributors (figure 4). These 16 producer distributors moved 20 percent of the total retail movements of eggs reported by all 52 responding egg handling firms. Four producer distributors moved 100 or more cases of eggs per week into retail channels; during June 1959 they moved 5,316 cases into local retail outlets, or 16.6 percent of the total retail movements of 32,025 cases by all 20 firms in the commercial universe.

Corporate Food Chains

Of the 13 corporate food chains surveyed, 11 reported selling eggs. The other two were duplicates of an active chain. Four chains reported buying eggs from local distributors but volume information was not obtained. The 7 reporting firms handled 16,460 cases of eggs during June 1959. However, only 4 chains purchased eggs from country shippers and producers. One chain sent some eggs to its affiliated stores in Portland and other cities in Washington and Oregon. These 7 chains purchased 851 cases of eggs in cartons and also cartoned 8,609 cases.

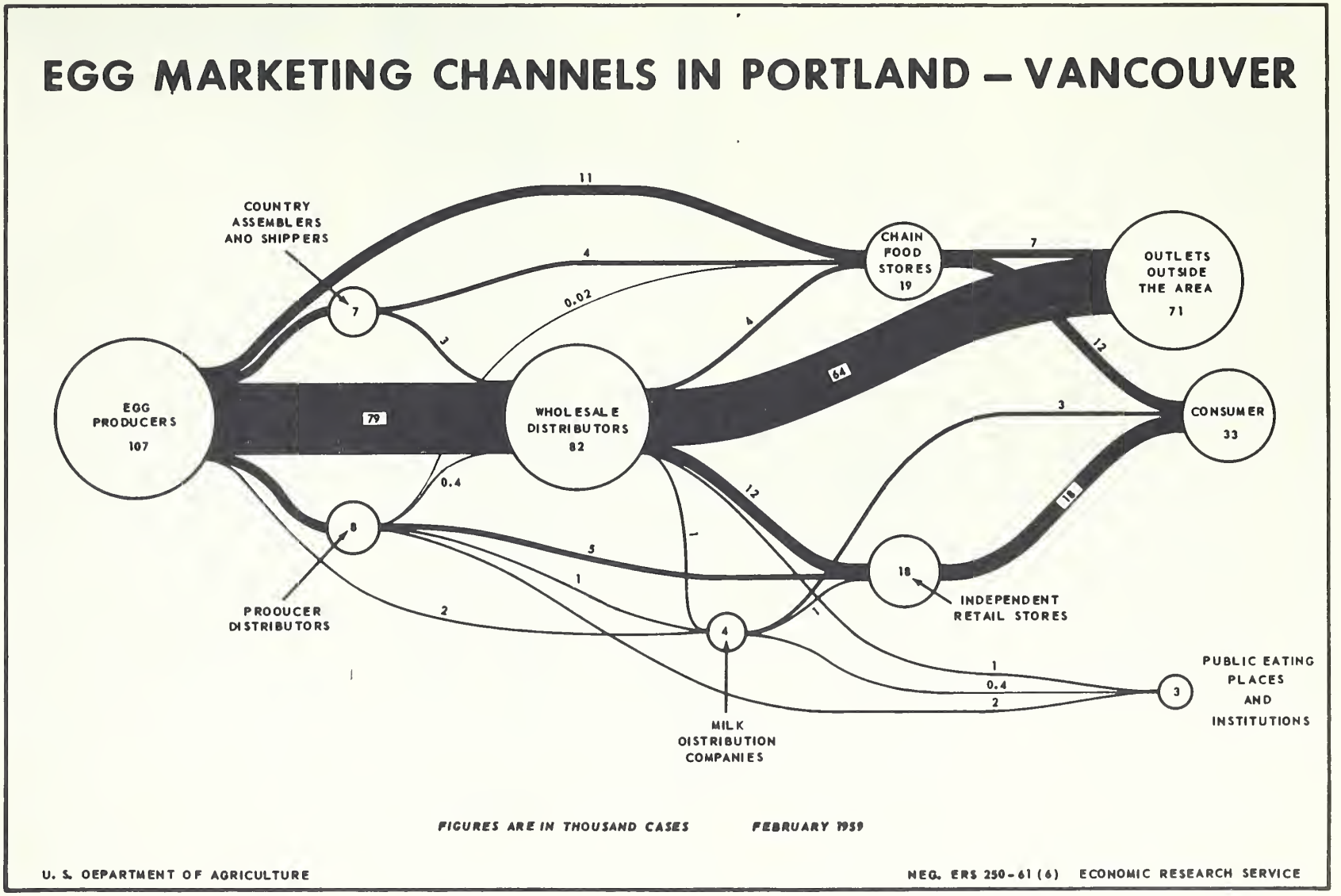
EGG MARKETING CHANNELS IN PORTLAND – VANCOUVER
COUNTRY ASSEMBLERS AND SHIPPERS
7
EGG PRODUCERS
107
79
WHOLESALE DISTRIBUTORS
82
CHAIN FOOD STORES
19
OUTLETS OUTSIDE THE AREA
71
CONSUMER
33
8
PRODUCER DISTRIBUTORS
18
INDEPENDENT RETAIL STORES
4
MILK DISTRIBUTION COMPANIES
3
PUBLIC EATING PLACES AND INSTITUTIONS
11
4
0.02
3
4
64
7
12
3
0.4
12
18
5
1
1
2
1
1
0.4
2
FIGURES ARE IN THOUSAND CASES
FEBRUARY 1959
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Figure 4

Voluntary Food Chains and Independent Retailers

Eleven voluntary chain warehouses and large independent retailers were surveyed with 7 reporting handling 1,680 cases of eggs that were purchased from local wholesale and producer distributors. Two retailers reported buying eggs from local distributors but volume information was not available. One chain did not handle any eggs and the eleventh firm could not be located. Therefore, most of the eggs going to and through the voluntary and large independent food stores are being reported weekly by the wholesale and producer distributors. However, a great number of small independent retail grocery stores still remain in Portland and Vancouver. These grocery stores are largely supplied eggs by the producers.

Milk Distribution Companies

Of the 24 milk companies surveyed, only 12 were active in handling eggs. These 12 companies handled 3,484 cases of eggs, of which 883 cases were from local wholesale distributors. The remaining 2,601 cases were from producer distributors. Milk distributing companies purchased 1,884 cases in cartons and cartoned 570 cases. Sales by milk distributors went to their own dairy stores and delivery routes, independent retailers, and noninstitutional eating places.

Restaurant Chains

Of the 3 restaurant chains surveyed, 2 reported selling eggs; they purchased their entire supply of eggs from local distributors. The third firm was a duplicate of one of the other active restaurant chains.

CONCLUSIONS

The reports on Movement of Eggs into Retail Channels in Seattle, San Francisco, and Los Angeles are now more representative of the actual movements of eggs into retail outlets than in 1958. These reports and similar price reports, based on data obtained from a large number of commercial egg marketing firms provide potent volume and price information from the firms that make the major marketing decisions in each market. The reports issued one day earlier than before provide information to the egg industry on estimated volume moved per city, per group of cities and through time.

The percentage change figures for the old and new reports show that the new reports vary less from week to week than the old report. The wide variation in the old reports is due mainly to the small number of firms on which the old reports were based. Also the sample of firms was heavily weighted with chain stores. Table 5 provides a summary of the volume reported weekly for the year ending in June 1961. The data in table 5 can be used in many ways; some are: (1) the weekly data for all cities can be added to obtain a movement figure for all cities per week or month, (2) the data for an individual city can be averaged to obtain 4- or 6-week moving averages, (3) week-to-week, month-to-month, or year-to-year comparisons can be made for each city or for all the cities combined, (4) individual firms can compare their weekly movement into retail outlets with the aggregate reports, and (5) percentage change in the current week can be compared with the same week a year earlier. These data can also be used to compare various holiday-week movements from year to year or within each year.

Five steps were taken in these markets to improve the reports.

1. Commercial egg handlers were defined, identified and listed.

2. A new sample of egg handlers was established.

3. Precise instructions were given to egg handlers on the kind of egg movements they should report.

4. The matched-plant basis of analysis was replaced with a more efficient and highly accurate estimating procedure.

5. Public release of the reports was moved up from Thursday to Wednesday of each week. Reports cover movements of eggs into retail channels during the previous week.

To maintain the accuracy and representativeness of these weekly reports annual surveys of all firms handling eggs in each market should be made. These surveys should provide information on (1) new egg-handling firms that may become established in the metropolitan area, (2) current small-volume egg-handling firms that may grow and become eligible for the statistical universe, and (3) commercial egg handlers currently reporting who may change their source of suppliers, resulting in duplication in reporting. Firms that meet the qualifications of the defined commercial universe should immediately start reporting volume movements each week.

This system of reporting estimated movements of eggs into retail channels should be initiated in other metropolitan areas so that weekly estimates for each area could be added together to obtain comparisons for various periods of time for (a) individual cities, (b) among cities, and (c) for an approximate national commercial movement into retail channels covering all reporting cities. For instance, if the report were to be established in the 25 largest metropolitan areas which now have dairy and poultry market news offices, the total movement would cover approximately 40 percent of the total estimated consumption of shell eggs in the United States. This statistical series would then be a powerful tool for marketing firms to use in pricing eggs competitively in our nation's market.

On March 30, 1961, new reports on Movement of Eggs into Retail Channels were started for Philadelphia and Baltimore. In June 1961, reports were initiated for New York and Boston. (Surveys of egg distributing firms in Pittsburgh, Detroit, Atlanta, and Birmingham metropolitan areas are currently being evaluated.)

Finally, a national report of movements of eggs into retail channels plus the newly developed Weekly Commercial Egg Movement Report 10/ could provide a good indication of relative volumes of movements into and out of commercial marketing channels. That is, the two reports together would give useful indications of current egg supply-demand or supply-consumption conditions. Such current information should be valuable to those who are most active in making decisions on prices at all market levels, including prices to farmers, and on related marketing policies and practices.

10/ The Department of Agriculture's Dairy and Poultry Market News Branch issues the Commercial Egg Movement Report every Thursday. Copies can be obtained by writing to the Dairy and Poultry Market News Branch, Dairy Division, Agricultural Marketing Service, U. S. Department of Agriculture, Washington, 25, D. C.

Table 5.--Reported weekly movement of eggs into retail channels and percentage change from previous week, 5 metropolitan areas, 1960-61

Week ending	Los Angeles		San Francisco		Seattle		Portland		Chicago	
	Cases	Change from previous week	Cases	Change from previous week	Cases	Change from previous week	Cases	Change from previous week	Cases	Change from previous week
	Thousands	Percent	Thousands	Percent	Thousands	Percent	Thousands	Percent	Thousands	Percent
1960										
7- 2..	99.4	18	61.3	- 8	15.9	4	8.0	5	56.8	2
7- 9..	97.2	- 2	53.4	-13	15.8	- 1	7.4	- 8	53.2	- 6
7-16..	104.5	8	70.9	33	14.8	- 7	7.6	2	49.6	- 7
7-23..	77.2	-26	58.1	-18	14.6	- 1	7.3	- 3	54.1	9
7-30..	101.7	32	56.4	- 3	16.1	13	7.5	2	51.1	- 6
8- 6..	96.2	- 5	58.2	3	14.1	-12	7.8	4	48.9	- 4
8-13..	84.0	-13	53.5	- 8	14.7	4	7.4	- 6	54.7	12
8-20..	97.9	16	53.8	1	14.3	- 3	7.7	5	51.8	- 5
8-27..	89.4	- 9	58.2	8	14.4	1	7.9	2	51.0	- 2
9- 3..	96.8	8	56.8	- 3	16.6	15	8.2	5	51.4	1
9-10..	75.8	-22	50.6	-11	15.3	- 7	7.0	-15	51.1	- 1
9-17..	81.5	7	51.0	1	13.9	- 9	7.1	2	52.0	2
9-24..	84.2	3	53.4	5	14.5	4	8.1	13	54.6	5
10- 1..	88.8	5	62.2	16	15.6	8	7.5	- 7	57.8	6
10- 8..	105.6	18	60.1	- 4	14.3	- 8	9.6	27	54.3	- 6
10-15..	85.4	-18	58.1	- 3	14.4	0	7.3	-24	55.0	1
10-22..	86.2	1	57.3	- 1	15.4	7	7.7	5	54.5	- 1
10-29..	81.1	- 6	62.2	8	15.7	2	7.3	- 5	57.7	6
11- 5..	92.7	14	54.5	-12	15.4	- 2	10.4	44	56.3	- 2
11-12..	78.8	-15	53.8	- 1	16.0	4	7.4	-41	57.8	3
11-19..	93.3	18	63.6	18	14.2	-12	8.7	18	55.7	- 4
11-26..	75.3	-19	54.3	-15	14.5	2	8.0	- 9	55.5	0
12- 3..	81.6	8	58.2	7	13.9	- 4	7.2	-10	55.0	- 1
12-10..	79.0	- 3	57.0	- 2	14.7	6	8.0	12	54.8	0
12-17..	94.9	20	53.4	- 6	15.7	7	8.0	0	59.0	8
12-24..	95.6	1	60.7	14	16.5	5	7.9	- 1	62.2	5
12-31..	89.3	- 7	49.1	-19	15.4	- 7	7.4	- 6	59.8	- 4
1961										
1- 7..	83.3	- 7	48.9	0	15.2	- 2	7.8	6	54.9	- 8
1-14..	108.5	30	54.5	11	15.5	2	8.2	4	57.2	4
1-21..	82.7	-24	52.0	- 5	15.0	- 3	7.8	- 5	59.2	3
1-28..	81.2	- 2	49.8	- 4	14.4	- 4	8.2	5	57.9	- 2
2- 4..	89.2	10	49.2	- 1	15.6	8	7.7	- 6	57.3	- 1
2-11..	88.3	- 1	53.9	10	17.0	9	7.6	- 2	63.0	10
2-18..	107.2	12	52.6	- 3	13.3	-22	7.6	0	56.4	-10
2-25..	78.6	-27	54.0	3	15.2	14	8.9	16	56.2	0
3- 4..	86.9	11	48.0	-11	16.8	10	8.1	- 9	58.3	4
3-11..	101.6	17	58.6	22	15.4	- 8	7.8	- 4	57.2	- 2
3-18..	79.7	-22	64.2	10	17.8	15	7.7	- 1	58.9	3
3-25..	85.0	7	60.1	- 6	14.9	-16	7.7	0	58.4	- 1
4- 1..	141.1	66	85.9	43	20.1	35	13.7	79	87.0	49
4- 8..	69.1	-51	47.5	-45	18.0	-10	6.9	-50	73.8	-15
4-15..	82.9	20	49.3	4	15.1	-16	7.1	3	44.3	-40
4-22..	86.1	10	59.8	21	14.4	- 4	8.3	17	57.0	29
4-29..	100.7	17	58.6	- 2	14.9	4	8.1	- 3	53.1	- 7
5- 6..	80.3	-20	63.3	8	16.0	7	7.6	- 6	58.4	10
5-13..	77.5	- 4	53.0	-16	15.0	- 6	7.2	- 5	53.3	- 9
5-20..	92.4	19	51.5	- 3	16.7	11	8.0	10	52.0	- 2
5-27..	95.0	3	57.6	12	17.5	5	8.0	0	55.5	7
6- 3..	89.7	- 6	46.0	-20	17.4	- 1	7.9	- 1	53.2	- 4
6-10..	83.3	- 7	59.6	30	15.5	-11	8.9	12	54.1	2
6-17..	92.2	11	60.5	2	19.3	24	8.0	-10	52.8	- 2
6-24..	86.4	- 6	57.0	- 6	13.7	-29	8.4	5	53.5	1