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COST OF STORING AND HANDLING COTTON AT
PUBLIC STORAGE FACILITIES, 1972/73 AND 1974/75-

by

Whitman M. Chandler, Jr. and Joseph L. Ghetti

Economic Research Service
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HIGHLIGHTS

Increases in the cost of most major inputs continued to plague the cotton warehousing industry during 1974/75. Analysis of accounting and operational data of 42 warehouses and compresses shows that average total cost for storage increased about 6 percent from 1972/73. The per-bale cost in 1974/75 was about \$7.68 (64.0 cents per month) compared to about \$7.25 (60.4 cents per month in 1972/73. These costs varied from a high of \$9.99 per bale annually (83.3 cents per month) in the Southeast to a low of \$6.05 per bale (50.4 cents per month in the Southwest (table 1). The average out-of-pocket cost for storage was about \$5.84 per bale (48.6 cents per month) in 1974/75 compared to about \$5.66 (47.2 cents per month) in 1972/73. The average occupancy level in 1974/75 was 26.2 percent, virtually unchanged from 1972/73.

As a result, fixed costs per bale per month increased only slightly (tables 4 and 5). Increases were noted in some variable cost items, particularly in the South Central area where personnel expenses, repairs and maintenance, and cotton insurance increased significantly. Compresses in the Southwest and warehouses in the Southeast were able to lower variable costs mainly by reducing personnel expenses.

The basic services routinely required for in- and out-handling are receiving, breakout, and shipping. The average cost per bale for all facilities for these services was about \$1.19, \$0.53, and \$0.82, respectively, in 1974/75 (table 1). Comparable costs for 1972/73 were about \$0.95, \$0.45, and \$0.61, respectively.

For all plants combined, the average total cost for receiving, 1-year storing, breakout, and shipping was about \$10.22 per bale or about 10 percent higher than in 1972/73 (table 1). The Southeast had the highest average at about \$13.37 per bale and the Southwest had the lowest at nearly \$7.98 per bale.

The average total cost for standard density compression was about \$3.11 per bale in 1974/75--up about \$1.20 from 1972/73. Personnel expenses increased more than 25 percent from 1972/73 and represented one-third of the total cost. The average total cost for universal density compression was nearly \$2.33 with personnel expenses accounting for more than half of the total cost.

Detailed information on all functions for 1972/73 and 1974/75 is shown in table 2 through 11. The number of facilities and the amount of space available to store Government cotton in 1972/73 and 1974/75 are shown in table 12.



COST OF STORING AND HANDLING COTTON AT PUBLIC STORAGE
FACILITIES, 1972/73 and 1974/75

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INTRODUCTION

The cotton warehouse industry occupies an important position in the present system of marketing American cotton. Beginning in 1962, the Economic Research Service has conducted periodic studies to determine the costs associated with the storing and handling of cotton. Results of these studies have been used by the Commodity Credit Corporation and representatives of the cotton industry in negotiating rates to be paid warehousemen for the storing and handling of Government-owned or controlled cotton.

The last study was conducted for the 1972/73 season and the results published in June 1974. The present study covers the costs associated with the 1974/75 season.

METHODOLOGY

For this study, questionnaires were mailed to the 51 compresses and 16 warehouses that participated in the 1972/73 study. Followup letters were sent to correspondents and, in some instances, telephone calls were made to the owners or plant managers who had not returned the questionnaire. Because of insufficient data, inability to contact owners or plant managers, and other factors, 25 firms were deleted from the sample. The remaining 32 compresses and 10 warehouses represent about 22 percent of the approved capacity of the universe and about 8 percent of the total number of plants.

Depreciation and Interest

Book depreciation on buildings and equipment was not used because, in a large number of instances, buildings and equipment had been fully depreciated and many firms did not show a cost for interest on investment. Use of book depreciation and interest would have had the effect of allowing substantial

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depreciation and interest charges in instances where new plants had been constructed or an old plant had recently changed hands.

Similarly, for those plants of comparable age and structure that had been fully depreciated, no depreciation or interest charges were allowed.

Standard Depreciation Rate Schedule

To minimize the effects on costs of variations among plants in depreciation and interest on investment, standard rates were used for all plants. The interest allowance on capital investment was computed at 10 percent of one-half the original acquisition cost of buildings and equipment, plus the original cost of the land for all facilities. The straight line depreciation method was used based on the following rates to recompute depreciation charges:

<u>Buildings and improvements</u>	<u>Percent</u>
Iron clad, wood frame	2.5
Brick, concrete, or steel	2.0
Wood	3.3
Fences	5.0
Water tower and tanks	2.5
Railroad sidings	3.3
Roadways, pavement of grounds	5.0
 <u>Plant equipment</u>	
Compression	3.0
 <u>Handling and automotive equipment</u>	
Clamps: Less than 5000 lbs.	14.3
More than 5000 lbs.	16.7
Tractors	6.7
Trailers, warehouse and yard	6.7
Hand trucks	4.0
Trucks, road	14.3
Automobiles	20.0
Conveyor systems	14.3
Shop equipment	6.7
Air compressors	6.7
Scales	5.0
Fire equipment	5.0
Personnel carriers	10.0
Motorized sweepers	14.3
 <u>Office</u>	
Furniture and fixtures	10.0



ALLOCATION OF COSTS

Allocation of costs to functions was made in a uniform manner for each facility according to the following plan:

A. Fixed Cost

1. Building depreciation. Based on estimates obtained from warehousemen as to the percentage of total space used for storage, receiving, compression, shipping, and other functions.
2. Equipment depreciation.
 - a. Compress equipment--direct to compression.
 - b. Materials handling equipment--percentage of total hours used in each function.
 - c. Other minor equipment--percentage of total revenue received from each function.
3. Insurance and taxes. Building insurance and taxes were allocated in same manner as item A-1; equipment in the same manner as items A-2a, A-2b, and A-2c.
4. Leases and rentals. Building leases were allocated to functions in the same manner as item A-1; equipment leases were allocated to functions in the same manner as items A-2a, A-2b, and A-2c.
5. Interest on capital investment. Percentage of total revenue received from each function.

B. Variable Cost

1. Personal expenses.
 - a. Executive--percentage of total revenue received for each function.
 - b. Management--percentage of total labor hours for each function.
 - c. Supervisory--hours as recorded to specific service; remainder, percentage of total hours to each function.
 - d. Engineers and mechanics--estimates by firm personnel.
 - e. Handling labor--percentage of total labor hours to each function.
 - f. Watchmen, cleaning, maintenance--percentage of total warehouse space used in each function.
 - g. Mechanic's helper--estimates by firm personnel.
 - h. Head clerk--percentage of total revenue received from each function.
 - i. Other clerks--estimates by firm personnel.
2. Operating expense.
 - a. Repairs and maintenance--compression equipment, direct to compression; buildings and improvements, same as items A-1; other plant equipment, same as items A-2b and A-2c.
 - b. Materials handling equipment--same as item A-2b.
 - c. Licenses and bonds--direct to storage.
 - d. Fuel for compress--direct to compression.
 - e. Other utilities--percentage of total revenue for each function.
 - f. Home office--same as item B-2c.
 - g. Warehouse supplies--identifiable supplies direct to functions. Unidentifiable supplies percentage of total revenue received from each function.
 - h. Office supplies--percentage of total revenue received from each function.

- i. Claims--direct to storage.
- j. Transportation expenses--percentage of total revenue received from each function.
- k. Miscellaneous costs--percentage of total revenue received from each function.
- l. Interest on working capital--percentage of total direct labor hours used in each function.

Table 1 --Storing and handling cotton: Average cost per bale, by area and type of facility, fiscal 1974/75

Area and type of facility	Estimated book cost for --													
	Receiving		Storage		Breakout		Shipping		Storing and handling		Standard density compression		Universal density compression	
	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/	Total cost 1/	Out-of-pocket cost 2/
Dollars														
Southeast: 5/ Warehouses.....	1.392	1.078	10.102	7.039	0.797	0.780	1.391	1.043	13.683	9.940	--	--	--	--
Compresses.....	1.398	1.252	9.038	7.250	.681	.658	.682	.437	11.799	9.598	1.571	1.328	3/	3/
All plants.....	1.393	1.105	9.990	7.061	.768	.749	1.215	.893	13.367	9.808	1.571	1.328	3/	3/
South Central: 6/ Warehouses.....	1.224	1.009	10.908	8.665	.831	.820	1.447	1.064	14.409	11.558	--	--	--	--
Compresses.....	1.289	1.127	9.571	7.693	.834	.799	1.032	.779	12.726	10.398	3.190	2.745	2.998	2.577
All plants.....	1.282	1.115	9.706	7.791	.834	.801	1.076	.809	12.898	10.517	3.190	2.745	2.998	2.577
Southwest: 7/ Warehouses.....	.902	.708	7.289	5.408	.302	.264	.686	.489	9.180	6.868	--	--	--	--
Compresses.....	1.171	.993	5.814	4.222	.262	.227	.518	.330	7.764	5.771	4/	4/	1.913	1.510
All plants.....	1.120	.939	6.046	4.408	.268	.233	.544	.354	7.978	5.935	4/	4/	1.913	1.510
West: 8/ Compresses.....	.904	.849	6.724	5.635	.527	.516	.979	.867	9.134	7.867	3.131	2.921	3.421	3.171
United States: Warehouses.....	1.188	.933	9.254	6.690	.594	.568	1.103	.812	12.138	9.003	--	--	--	--
Compresses.....	1.189	1.035	7.212	5.579	.510	.478	.757	.552	9.668	7.643	3.106	2.712	2.328	1.932
All plants.....	1.189	1.012	7.682	5.835	.525	.494	.819	.598	10.215	7.939	3.106	2.712	2.328	1.932

1/ Includes standardized depreciation and allowance for interest on investment based on original acquisition cost.

2/ Excludes depreciation and interest on investment.

3/ No cotton reported as being compressed to universal density during 1974/75.

4/ Only 2171 bales reported compressed standard density.

5/ Includes Alabama, Georgia, North Carolina, and South Carolina.

6/ Includes Arkansas, Louisiana, Mississippi, Missouri, and Tennessee.

7/ Includes Oklahoma and Texas, excluding District 6, Texas.

8/ Includes Arizona, California, New Mexico, and District 6, Texas.

Table 2 -- Receiving: Estimated cost per bale of cotton at selected warehouses, by area and United States, 1972/73 and 1974/75

Cost item	Southeast		South Central		Southwest		United States	
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75
Dollars per bale								
Fixed costs:								
Depreciation <u>1/</u>	0.072	0.116	0.032	0.066	0.030	0.045	0.050	0.082
Insurance.....	.032	.033	.010	.019	.004	.007	.018	.021
Taxes.....	.035	.024	.016	.019	.010	.014	.022	.020
Leases and rentals.....	.016	.004	.001	.0	.006	.006	.010	.004
Interest on investment <u>2/</u>212	.198	.079	.149	.091	.149	.145	.173
Total fixed costs.....	.368	.375	.137	.254	.142	.221	.245	.300
Variable costs:								
Personnel expenses.....	.848	.833	.613	.625	.370	.408	.620	.646
Handling equipment <u>3/</u>022	.024	.011	.027	.018	.019	.019	.023
Repairs and maintenance.....	.008	.012	.003	.009	.002	.007	.005	.010
Other utilities.....	.044	.023	.019	.029	.024	.047	.033	.033
Home office.....	.0	.0	.078	.087	.045	.085	.029	.045
Warehouse supplies.....	.044	.046	.067	.085	.040	.088	.045	.067
Office supplies.....	.045	.015	.001	.005	.012	.009	.025	.011
Transportation expenses <u>4/</u>017	.008	.004	.001	.0	.0	.009	.004
Other <u>5/</u>005	.036	.023	.087	.010	.009	.009	.035
Interest on working capital <u>6/</u>018	.020	.008	.015	.008	.010	.013	.016
Total variable costs.....	1.052	1.017	.826	.970	.529	.681	.806	.888
Total fixed and variable costs.....	1.420	1.392	.963	1.224	.671	.902	1.051	1.188

1/ Based on standardized depreciation rates applied to original acquisition costs of buildings and equipment. 2/ Calculated at 10 percent of one-half the acquisition cost of buildings and equipment, plus the full cost of land. Actual expenditures of this nature were eliminated.
3/ Cost for labor, repairs, and operating fuel. Does not include wages paid drivers or operators, nor depreciation. 4/ Includes switching, demurrage, nonrefundable hauling and freight. 5/ Includes dues, subscriptions, audit, and legal fees. 6/ Calculated at 7 percent per year borrowed quarterly of the "out of pocket" cost. Actual expenditures of this nature were eliminated.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
 The sum of individual costs may not always add to the total due to rounding.

Table 3 --Receiving: Estimated cost per bale of cotton at selected compresses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		West		United States	
	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75
	Dollars per bale									
Fixed Costs:										
Depreciation.....	0.024	0.040	0.032	0.044	0.040	0.058	0.018	0.014	0.033	0.046
Insurance.....	.010	.028	.012	.019	.009	.018	.002	.004	.010	.017
Taxes.....	.014	.037	.017	.020	.020	.035	.029	.021	.020	.027
Leases and rentals.....	.000	.000	.002	.000	.006	.007	.006	.002	.004	.004
Interest on investment.....	.065	.106	.079	.118	.073	.120	.072	.041	.075	.108
Total fixed costs.....	.113	.211	.143	.201	.149	.238	.128	.082	.142	.202
Variable costs:										
Personnel expenses.....	.707	.985	.457	.701	.664	.701	.254	.634	.527	.699
Handling equipment.....	.019	.022	.026	.042	.039	.044	.013	.069	.029	.046
Repairs and maintenance.....	.017	.027	.011	.018	.004	.007	.001	.002	.007	.011
Other utilities.....	.028	.044	.017	.030	.024	.038	.006	.013	.019	.032
Home office.....	.020	.050	.069	.098	.027	.010	.035	.010	.046	.047
Warehouse supplies.....	.018	.010	.109	.145	.059	.071	.053	.062	.078	.099
Office supplies.....	.017	.014	.009	.010	.010	.013	.0	.003	.009	.010
Transportation expenses.....	.022	.005	.002	.003	.022	.001	.0	.0	.011	.002
Other.....	.042	.016	.025	.024	.013	.029	.005	.014	.018	.025
Interest on working capital.....	.015	.014	.012	.016	.014	.017	.009	.015	.012	.017
Total variable costs.....	.906	1.187	.737	1.088	.875	.933	.376	.822	.756	.987
Total fixed and variable costs.....	1.019	1.398	.880	1.289	1.024	1.171	.504	.904	.898	1.189

1/ See table 2 footnotes for explanation of various cost items.
 NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
 The sum of individual costs may not always add to the total due to rounding.

Table 1 --Storage: Estimated cost per bale of cotton per month at selected warehouses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		United States	
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75
	Dollars per bale							
Fixed costs:								
Depreciation.....	0.107	0.101	0.056	0.071	0.089	0.077	0.089	0.091
Insurance.....	.024	.016	.015	.007	.025	.007	.018	.014
Taxes.....	.031	.009	.024	.016	.026	.016	.025	.013
Leases and rentals.....	.028	.010	.002	.030	.0	.023	.025	.013
Interest on investment.....	.120	.155	.050	.055	.098	.080	.090	.123
Total fixed costs.....	.310	.290	.149	.179	.239	.202	.247	.254
Variable costs:								
Personnel expenses.....	.409	.364	.216	.256	.379	.225	.335	.319
Handling equipment.....	.012	.008	.011	.021	.019	.023	.015	.021
Repairs and maintenance.....	.021	.027	.015	.011	.046	.025	.017	.029
Cotton insurance.....	.039	.035	.030	.026	.068	.032	.034	.065
Licenses and bonds.....	.031	.008	.001	.0	.0	.003	.018	.005
Other utilities.....	.025	.016	.012	.014	.019	.024	.020	.019
Home office.....	.0	.0	.051	.025	.058	.045	.015	.022
Warehouse supplies.....	.012	.006	.009	.016	.010	.012	.013	.009
Office supplies.....	.025	.009	.0	.007	.003	.005	.016	.007
Claims.....	.0	.0	.004	.001	.0	.0	.001	.0
Transportation expenses.....	.006	.002	.002	.0	.001	.0	.004	.001
Other.....	.002	.017	.015	.006	.057	.004	.005	.018
Interest on working capital.....	.011	.010	.006	.007	.011	.008	.009	.009
Total variable costs.....	.594	.551	.372	.391	.670	.405	.500	.517
Total fixed and variable costs.....	.905	.842	.520	.570	.909	.607	.748	.771

1/ See table 2 footnotes for explanation of various cost items.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas. The sum of individual costs may not always add to the totals due to rounding.

Table 5 -- Storage: Estimated cost per bale of cotton per month at selected compresses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		West		United States																																																																																																																																																																																																																																																			
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75																																																																																																																																																																																																																																																		
	<u>Dollars per bale</u>																																																																																																																																																																																																																																																											
Fixed costs:											Depreciation.....	0.046	0.071	0.063	0.082	0.067	0.073	0.087	0.055	0.067	0.074	Insurance.....	.018	.041	.029	.041	.012	.014	.007	.005	.019	.022	Taxes.....	.018	.045	.039	.042	.027	.027	.081	.028	.038	.033	Leases and rentals.....	.003	.0	.007	.003	.013	.009	.053	.018	.015	.008	Interest on investment.....	.037	.078	.051	.074	.040	.060	.073	.036	.049	.062	Total fixed costs.....	.123	.234	.189	.242	.158	.183	.301	.142	.188	.199	Variable costs:											Personnel expenses.....	.220	.329	.185	.264	.239	.150	.187	.245	.208	.202	Handling equipment.....	.021	.025	.022	.049	.026	.016	.009	.034	.022	.029	Repairs and maintenance.....	.055	.049	.044	.061	.028	.055	.009	.020	.033	.053	Cotton insurance.....	.019	.016	.023	.047	.022	.019	.012	.064	.021	.033	Licenses and bonds.....	.004	.0	.0	.0	.001	.001	.011	.0	.002	.0	Other utilities.....	.015	.026	.011	.020	.012	.019	.017	.012	.012	.018	Home office.....	.017	.039	.044	.060	.009	.004	.013	.009	.025	.024	Warehouse supplies.....	.004	.001	.014	.019	.007	.008	.010	.012	.010	.012	Office supplies.....	.009	.008	.006	.007	.005	.006	.001	.003	.005	.006	Claims.....	.001	.002	.014	.002	.002	.005	.008	.0	.008	.003	Transportation expenses.....	.015	.003	.002	.002	.009	.001	.0	.0	.005	.001	Other.....	.020	.010	.016	.015	.006	.014	.005	.013	.011	.014	Interest on working capital.....	.007	.011	.006	.009	.006	.005	.006	.006	.006	.006	Total variable cost.....	.405	.519	.386	.556	.373	.302	.287	.418	.370	.402	Total fixed and variable cost.....	.528	.753	.575	.798	.531	.484	.588	.560	.557	.601
Depreciation.....	0.046	0.071	0.063	0.082	0.067	0.073	0.087	0.055	0.067	0.074																																																																																																																																																																																																																																																		
Insurance.....	.018	.041	.029	.041	.012	.014	.007	.005	.019	.022																																																																																																																																																																																																																																																		
Taxes.....	.018	.045	.039	.042	.027	.027	.081	.028	.038	.033																																																																																																																																																																																																																																																		
Leases and rentals.....	.003	.0	.007	.003	.013	.009	.053	.018	.015	.008																																																																																																																																																																																																																																																		
Interest on investment.....	.037	.078	.051	.074	.040	.060	.073	.036	.049	.062																																																																																																																																																																																																																																																		
Total fixed costs.....	.123	.234	.189	.242	.158	.183	.301	.142	.188	.199																																																																																																																																																																																																																																																		
Variable costs:											Personnel expenses.....	.220	.329	.185	.264	.239	.150	.187	.245	.208	.202	Handling equipment.....	.021	.025	.022	.049	.026	.016	.009	.034	.022	.029	Repairs and maintenance.....	.055	.049	.044	.061	.028	.055	.009	.020	.033	.053	Cotton insurance.....	.019	.016	.023	.047	.022	.019	.012	.064	.021	.033	Licenses and bonds.....	.004	.0	.0	.0	.001	.001	.011	.0	.002	.0	Other utilities.....	.015	.026	.011	.020	.012	.019	.017	.012	.012	.018	Home office.....	.017	.039	.044	.060	.009	.004	.013	.009	.025	.024	Warehouse supplies.....	.004	.001	.014	.019	.007	.008	.010	.012	.010	.012	Office supplies.....	.009	.008	.006	.007	.005	.006	.001	.003	.005	.006	Claims.....	.001	.002	.014	.002	.002	.005	.008	.0	.008	.003	Transportation expenses.....	.015	.003	.002	.002	.009	.001	.0	.0	.005	.001	Other.....	.020	.010	.016	.015	.006	.014	.005	.013	.011	.014	Interest on working capital.....	.007	.011	.006	.009	.006	.005	.006	.006	.006	.006	Total variable cost.....	.405	.519	.386	.556	.373	.302	.287	.418	.370	.402	Total fixed and variable cost.....	.528	.753	.575	.798	.531	.484	.588	.560	.557	.601																																																																													
Personnel expenses.....	.220	.329	.185	.264	.239	.150	.187	.245	.208	.202																																																																																																																																																																																																																																																		
Handling equipment.....	.021	.025	.022	.049	.026	.016	.009	.034	.022	.029																																																																																																																																																																																																																																																		
Repairs and maintenance.....	.055	.049	.044	.061	.028	.055	.009	.020	.033	.053																																																																																																																																																																																																																																																		
Cotton insurance.....	.019	.016	.023	.047	.022	.019	.012	.064	.021	.033																																																																																																																																																																																																																																																		
Licenses and bonds.....	.004	.0	.0	.0	.001	.001	.011	.0	.002	.0																																																																																																																																																																																																																																																		
Other utilities.....	.015	.026	.011	.020	.012	.019	.017	.012	.012	.018																																																																																																																																																																																																																																																		
Home office.....	.017	.039	.044	.060	.009	.004	.013	.009	.025	.024																																																																																																																																																																																																																																																		
Warehouse supplies.....	.004	.001	.014	.019	.007	.008	.010	.012	.010	.012																																																																																																																																																																																																																																																		
Office supplies.....	.009	.008	.006	.007	.005	.006	.001	.003	.005	.006																																																																																																																																																																																																																																																		
Claims.....	.001	.002	.014	.002	.002	.005	.008	.0	.008	.003																																																																																																																																																																																																																																																		
Transportation expenses.....	.015	.003	.002	.002	.009	.001	.0	.0	.005	.001																																																																																																																																																																																																																																																		
Other.....	.020	.010	.016	.015	.006	.014	.005	.013	.011	.014																																																																																																																																																																																																																																																		
Interest on working capital.....	.007	.011	.006	.009	.006	.005	.006	.006	.006	.006																																																																																																																																																																																																																																																		
Total variable cost.....	.405	.519	.386	.556	.373	.302	.287	.418	.370	.402																																																																																																																																																																																																																																																		
Total fixed and variable cost.....	.528	.753	.575	.798	.531	.484	.588	.560	.557	.601																																																																																																																																																																																																																																																		

1/ See table 2 footnotes for explanation of various cost items.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
The sum of individual costs may not always add to the totals due to rounding.

Table 6 --Breakout: Estimated cost per bale of cotton at selected warehouses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		United States	
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75
	Dollars per bale							
Fixed costs:								
Depreciation.....	0.018	0.017	0.045	0.011	0.028	0.039	0.026	0.025
Insurance.....	.028	.045	.016	.033	.005	.011	.017	.028
Taxes.....	.035	.025	.026	.036	.009	.026	.023	.028
Total fixed costs.....	.081	.088	.087	.080	.043	.076	.066	.081
Variable costs:								
Personnel expenses.....	.546	.647	.267	.629	.162	.154	.348	.434
Handling equipment.....	.019	.020	.037	.077	.038	.036	.029	.038
Warehouse supplies.....	.016	.025	.013	.020	.014	.031	.015	.026
Interest on working capital.....	.016	.018	.014	.025	.006	.006	.011	.014
Total variable costs.....	.597	.709	.331	.751	.220	.227	.403	.513
Total fixed and variable costs.....	.678	.797	.448	.831	.263	.302	.469	.594

1/ See table 2 footnotes for explanation of various cost items.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas. The sum of individual costs may not always add to the totals due to rounding.

Table 7 --Breakout: Estimated cost per bale of cotton at selected compresses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		West		United States																																																																																																																										
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75																																																																																																																									
	Dollars per bale																																																																																																																																		
Fixed costs:											Depreciation.....	0.018	0.023	0.026	0.035	0.013	0.035	0.010	0.010	0.019	0.032	Insurance.....	.017	.048	.033	.059	.011	.022	.007	.010	.020	.035	Taxes.....	.020	.057	.046	.062	.025	.044	.085	.049	.040	.052	Total fixed costs.....	.055	.128	.105	.156	.049	.101	.102	.069	.079	.119	Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510
Depreciation.....	0.018	0.023	0.026	0.035	0.013	0.035	0.010	0.010	0.019	0.032	Insurance.....	.017	.048	.033	.059	.011	.022	.007	.010	.020	.035	Taxes.....	.020	.057	.046	.062	.025	.044	.085	.049	.040	.052	Total fixed costs.....	.055	.128	.105	.156	.049	.101	.102	.069	.079	.119	Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510											
Insurance.....	.017	.048	.033	.059	.011	.022	.007	.010	.020	.035	Taxes.....	.020	.057	.046	.062	.025	.044	.085	.049	.040	.052	Total fixed costs.....	.055	.128	.105	.156	.049	.101	.102	.069	.079	.119	Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																						
Taxes.....	.020	.057	.046	.062	.025	.044	.085	.049	.040	.052	Total fixed costs.....	.055	.128	.105	.156	.049	.101	.102	.069	.079	.119	Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																	
Total fixed costs.....	.055	.128	.105	.156	.049	.101	.102	.069	.079	.119	Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																												
Variable costs:											Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																							
Personnel expenses.....	.359	.496	.340	.515	.253	.090	.216	.351	.292	.283	Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																		
Handling equipment.....	.032	.028	.054	.117	.034	.048	.018	.076	.041	.075	Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																													
Warehouse supplies.....	.007	.009	.015	.023	.010	.020	.009	.018	.012	.021	Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																																								
Interest on working capital.....	.014	.020	.016	.022	.008	.004	.008	.013	.012	.012	Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																																																			
Total variable costs.....	.412	.553	.424	.678	.306	.161	.251	.458	.356	.391	Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																																																														
Total fixed and variable costs.....	.467	.681	.529	.834	.355	.262	.353	.527	.436	.510																																																																																																																									

1/ See table 2 footnotes for explanation of various cost items.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas. The sum of individual costs may not always add to the totals due to rounding.

Table 8 --Shipping: Estimated cost per bale of cotton at selected warehouses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		United States	
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75
	Dollars per bale							
Fixed costs:								
Depreciation.....	0.079	0.175	0.041	0.116	0.030	0.046	0.054	0.108
Insurance.....	.015	.022	.011	.022	.004	.008	.010	.016
Taxes.....	.020	.019	.017	.022	.009	.017	.015	.019
Leases and rentals.....	.016	.008	.0	.0	.003	.005	.009	.005
Interest on investment.....	.308	.173	.100	.267	.093	.152	.190	.183
Total fixed costs.....	.438	.396	.168	.427	.140	.227	.277	.331
Variable costs:								
Personnel expenses.....	.507	.791	.265	.527	.225	.232	.356	.500
Handling equipment.....	.014	.014	.020	.039	.028	.028	.021	.025
Repairs and maintenance.....	.009	.020	.002	.008	.002	.006	.005	.012
Other utilities.....	.057	.026	.025	.057	.025	.048	.039	.042
Home office.....	.0	.0	.104	.173	.046	.086	.033	.071
Warehouse supplies.....	.019	.029	.029	.037	.014	.031	.018	.032
Office supplies.....	.061	.019	.001	.010	.011	.009	.032	.013
Transportation expenses.....	.015	.016	.004	.002	.0	.0	.007	.006
Other.....	.005	.057	.031	.146	.010	.009	.011	.055
Interest on working capital.....	.013	.022	.011	.019	.008	.008	.011	.016
Total variable costs.....	.701	.995	.491	1.020	.368	.459	.533	.772
Total fixed and variable costs.....	1.139	1.391	.659	1.447	.508	.686	.811	1.103

1/ See table 2 footnotes for explanation of various cost items.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
The sum of individual costs may not always add to the totals due to rounding.

Table 9 --Shipping: Estimated cost per bale of cotton at selected compresses, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		West		United States																																																																																																																																																																																																																		
	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75	1972/73:	1974/75																																																																																																																																																																																																																	
	Dollars per bale																																																																																																																																																																																																																										
Fixed costs:											Depreciation.....	0.026	0.050	0.032	0.046	0.022	0.059	0.041	0.039	0.028	0.052	Insurance.....	.011	.030	.024	.040	.009	.019	.006	.005	.016	.026	Taxes.....	.017	.048	.032	.041	.024	.041	.061	.025	.031	.040	Leases and rentals.....	.0	.0	.001	.0	.002	.003	.006	.016	.002	.003	Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757
Depreciation.....	0.026	0.050	0.032	0.046	0.022	0.059	0.041	0.039	0.028	0.052	Insurance.....	.011	.030	.024	.040	.009	.019	.006	.005	.016	.026	Taxes.....	.017	.048	.032	.041	.024	.041	.061	.025	.031	.040	Leases and rentals.....	.0	.0	.001	.0	.002	.003	.006	.016	.002	.003	Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757											
Insurance.....	.011	.030	.024	.040	.009	.019	.006	.005	.016	.026	Taxes.....	.017	.048	.032	.041	.024	.041	.061	.025	.031	.040	Leases and rentals.....	.0	.0	.001	.0	.002	.003	.006	.016	.002	.003	Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																						
Taxes.....	.017	.048	.032	.041	.024	.041	.061	.025	.031	.040	Leases and rentals.....	.0	.0	.001	.0	.002	.003	.006	.016	.002	.003	Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																	
Leases and rentals.....	.0	.0	.001	.0	.002	.003	.006	.016	.002	.003	Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																												
Interest on investment.....	.060	.195	.103	.207	.071	.129	.151	.073	.093	.154	Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																							
Total fixed costs.....	.114	.322	.192	.335	.128	.251	.265	.158	.170	.274	Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																		
Variable costs:											Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																													
Personnel expenses.....	.171	.112	.191	.283	.164	.107	.202	.623	.180	.224	Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																								
Handling equipment.....	.019	.014	.026	.056	.024	.052	.011	.076	.023	.055	Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																			
Repairs and maintenance.....	.002	.004	.008	.011	.001	.003	.001	.016	.004	.007	Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																														
Other utilities.....	.027	.067	.022	.053	.024	.042	.040	.024	.025	.045	Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																									
Home office.....	.020	.098	.094	.184	.030	.010	.017	.019	.056	.077	Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																				
Warehouse supplies.....	.009	.009	.015	.025	.013	.010	.007	.013	.013	.016	Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																															
Office supplies.....	.016	.021	.008	.022	.010	.014	.003	.005	.008	.016	Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																										
Transportation expenses.....	.021	.007	.003	.006	.025	.001	.0	.0	.013	.003	Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																																					
Other.....	.036	.026	.032	.047	.015	.025	.011	.026	.023	.033	Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																																																
Interest on working capital.....	.005	.003	.007	.011	.005	.004	.006	.020	.006	.008	Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																																																											
Total variable costs.....	.327	.360	.406	.697	.311	.267	.299	.822	.352	.483	Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																																																																						
Total fixed and variable costs.....	.441	.682	.599	1.032	.439	.518	.564	.979	.522	.757																																																																																																																																																																																																																	

1/ See table 2 footnotes for explanation of various cost items.

Note: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
The sum of individual costs may not always add to the totals due to rounding.

Table 10--Standard density compression: Estimated cost per bale of cotton at selected compress, by area and United States, 1972/73 and 1974/75

Cost item 1/	Southeast		South Central		Southwest		West		United States	
	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75	1972/73	1974/75
Fixed costs:										
Depreciation.....	0.057	0.067	0.084	0.108	0.104	--	0.085	0.092	0.088	0.089
Insurance.....	.018	.060	.014	.054	.011	--	.006	.001	.013	.038
Taxes.....	.026	.090	.019	.056	.027	--	.062	.005	.022	.050
Leases and rentals.....	.001	.000	.001	.002	.009	--	.010	.002	.004	.002
Interest on investment.....	.083	.177	.150	.337	.143	--	.195	.117	.147	.307
Total fixed costs.....	.185	.393	.267	.557	.295	--	.357	.219	.274	.486
Variable costs:										
Personnel expenses.....	.531	.554	.869	1.114	1.123	--	1.052	1.498	.930	1.159
Handling equipment.....	.012	.010	.021	.045	.020	--	.010	.034	.020	.042
Repairs and maintenance.....	.032	.047	.053	.177	.016	--	.066	.223	.043	.179
Fuel compress.....	.220	.260	.131	.175	.108	--	.137	.333	.128	.207
Other utilities.....	.062	.105	.031	.077	.053	--	.053	.038	.038	.072
Home office.....	.027	.072	.143	.297	.093	--	.031	.030	.123	.237
Warehouse supplies.....	.059	.030	.215	.619	.220	--	.736	.658	.227	.598
Office supplies.....	.034	.036	.019	.019	.021	--	.004	.009	.019	.018
Transportation expenses.....	.028	.014	.005	.009	.080	--	.0	.0	.025	.008
Other.....	.041	.032	.048	.054	.032	--	.024	.041	.043	.053
Interest on working capital.....	.019	.020	.030	.048	.035	--	.033	.049	.031	.047
Total variable costs.....	1.065	1.178	1.566	2.634	1.800	--	2.147	2.913	1.629	2.620
Total fixed and variable costs.....	1.250	1.571	1.832	3.190	2.095	--	2.504	3.131	1.903	3.106

1/ See table 2 footnotes for explanation of cost items. 2/ Only 2171 bales reported compressed standard density.

NOTE: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas. The sum of individual costs may not always add to the total due to rounding.

Table 11--Universal density compression: Estimated cost per bale of cotton at selected compresses, by area and United States, 1974/75

Cost item 1/	Collars per bale			
	South Central	Southwest	West	United States
Fixed costs:				
Depreciation.....	0.155	0.147	0.155	0.150
Insurance.....	.006	.009	.001	.007
Taxes.....	.006	.018	.010	.014
Leases and rentals.....	.0	.004	.002	.003
Interest on investment.....	.266	.256	.095	.246
Total fixed costs.....	.433	.434	.264	.421
Variable costs:				
Personnel expenses.....	1.558	.947	2.017	1.198
Handling equipment.....	.073	.048	.052	.055
Repairs and maintenance.....	.180	.049	.303	.105
Fuel compress.....	.267	.154	.422	.206
Other utilities.....	.073	.084	.031	.077
Home office.....	.226	.020	.025	.077
Warehouse supplies.....	.015	.060	.197	.059
Office supplies.....	.033	.027	.007	.027
Transportation expenses.....	.008	.002	.0	.004
Other.....	.069	.048	.033	.053
Interest, working capital.....	.063	.038	.070	.048
Total variable costs.....	2.565	1.479	3.157	1.908
Total fixed and variable costs.....	2.998	1.913	3.421	2.328

1/ See table 2 footnotes for explanation of various cost items.

Note: See table 1, footnotes 5, 6, 7, and 8, for delineation of areas.
The sum of individual costs may not always add to the totals due to rounding.

Table 12--Cotton warehouses and compresses: Number of plants, storage capacity, and bale capacity group by area and United States, 1972/73 and 1974/75

Bale capacity group by area	Plants		Storage Capacity	
	1972/73	1974/75	1972/73	1974/75
	Number		1,000 bales	
Warehouses				
Southeast:				
5,000 or less.....	152	111	424.4	319.0
5,001-15,000.....	151	149	1,303.2	1,286.6
15,001-25,000.....	18	16	363.6	328.2
25,001-50,000.....	16	15	506.5	489.1
Greater than 50,000.....	6	5	428.4	417.9
Total.....	343	296	3,026.1	2,840.8
South Central:				
5,000 or less.....	1	1	3.8	3.8
5,001-15,000.....	20	19	208.7	216.7
15,001-25,000.....	7	6	157.5	120.0
25,001-50,000.....	3	2	89.7	59.7
Greater than 50,000.....	3	1	363.6	208.6
Total.....	34	29	823.3	608.8
Southwest:				
5,000 or less.....	9	3	30.0	11.0
5,001-15,000.....	22	14	238.1	145.8
15,001-25,000.....	15	11	316.4	226.7
25,001-50,000.....	10	10	331.8	351.1
Greater than 50,000.....	1	2	105.0	180.0
Total.....	57	40	1,021.3	914.6
U.S. warehouses 1/.....	434	365	4,870.7	4,364.2
Compresses				
Southeast:				
50,000 or less.....	2	2	77.5	77.5
50,001-100,000.....	7	6	420.0	355.0
Greater than 100,000.....	0	0	0	0
Total.....	9	8	497.5	432.5
South Central:				
50,000 or less.....	51	54	1,797.0	1,950.8
50,001-100,000.....	40	33	2,765.1	2,289.2
Greater than 100,000.....	15	14	2,737.8	2,052.0
Total.....	106	101	7,299.9	6,292.0
Southwest:				
50,000 or less.....	37	24	1,161.3	726.3
50,001-100,000.....	18	22	1,282.2	1,518.7
Greater than 100,000.....	9	11	1,508.7	1,568.2
Total.....	64	57	3,952.2	3,813.2
West:				
50,000 or less.....	10	9	388.0	291.7
50,001-100,000.....	7	4	428.8	246.5
Greater than 100,000.....	6	6	1,338.7	1,468.1
Total.....	23	19	2,155.5	2,006.3
Ports:				
50,000 or less.....	2	3	77.5	122.5
50,001-100,000.....	3	4	211.1	265.3
Greater than 100,000.....	5	5	1,062.0	799.9
Total.....	10	12	1,350.6	1,187.7
U.S. compresses.....	212	197	15,255.7	13,731.7
TOTAL PLANTS.....	646	562	20,126.4	18,095.9

1/ Data do not include 4 warehouses in the West.

