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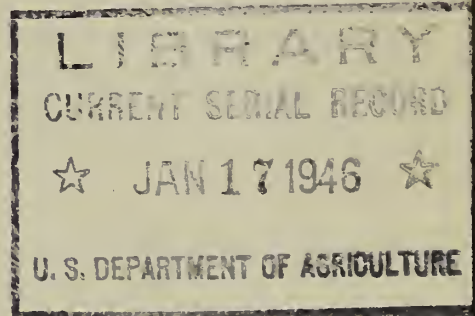
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FARM CREDIT ADMINISTRATION
UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON, D. C.

HANDBOOK ON
MAJOR REGIONAL FARM SUPPLY
PURCHASING COOPERATIVES
1943 AND 1944

By
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The information in this publication has been assembled through the cooperation of the farmers' cooperative associations concerned. It is published for their information in appraising their own operating efficiency and for the use of those interested in the cooperatives as a part of the general economy.

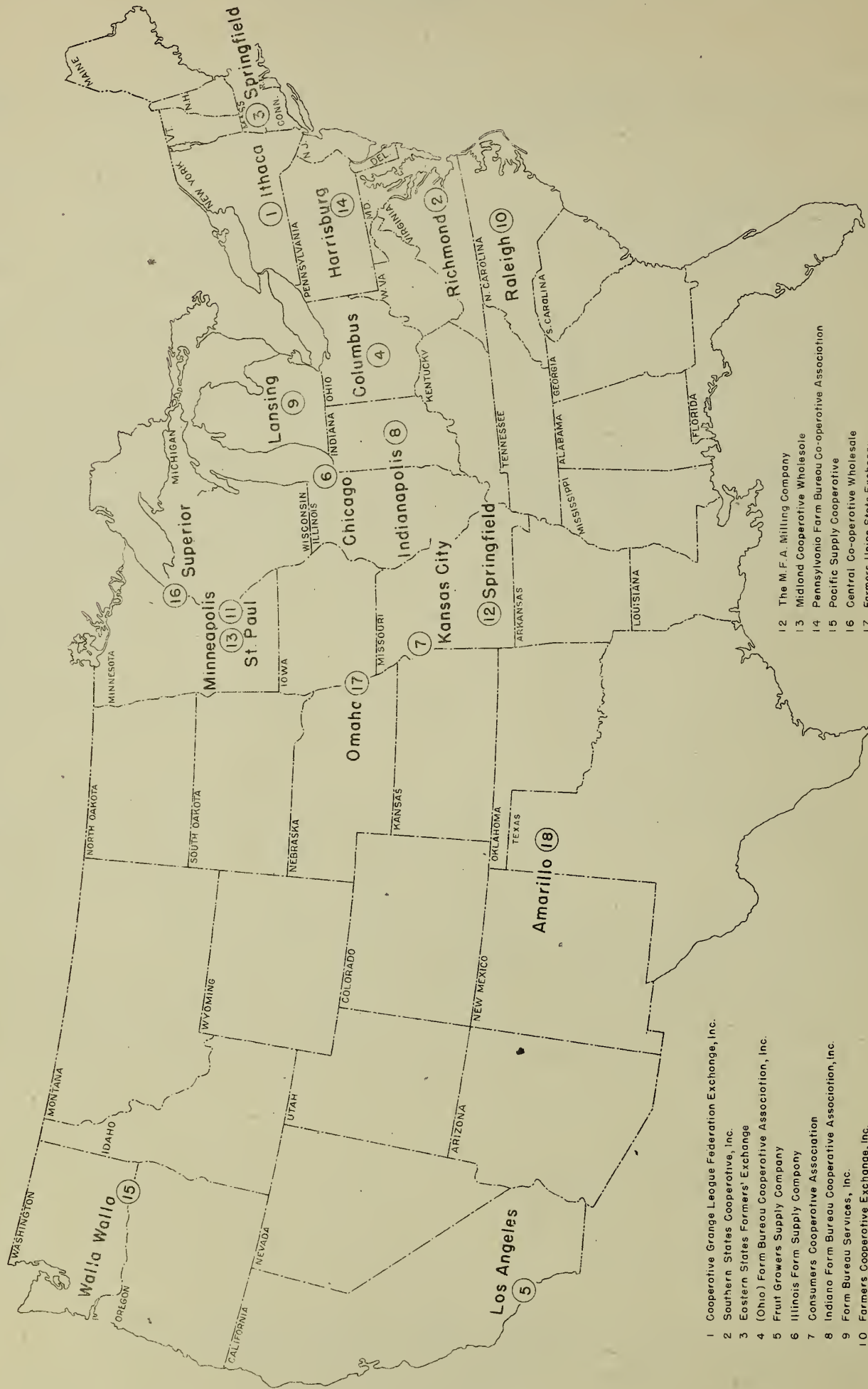
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LOCATION OF 18 MAJOR REGIONAL COOPERATIVE PURCHASING ASSOCIATIONS



- 1 Cooperative Grange League Federation Exchange, Inc.
- 2 Southern States Cooperative, Inc.
- 3 Eastern States Farmers' Exchange
- 4 (Ohio) Farm Bureau Cooperative Association, Inc.
- 5 Fruit Growers Supply Company
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- 18 Consumers Cooperatives Associated

HANDBOOK ON MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES, 1943 AND 1944

By Joseph G. Knapp
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PURPOSE AND SCOPE OF HANDBOOK

This handbook is designed to present concise, comparable information for each of the 18 major regional farm supply purchasing cooperatives in the United States for their fiscal years ending in 1943 and in 1944 (part I), and to combine and analyze such information as a means of showing the character and significance of these associations as a group (part II).

The associations described in this handbook perform wholesale service for retail cooperative outlets of various types, except for one association that distributes all supplies direct to individual purchasers. In addition to giving wholesale service, seven associations distribute supplies direct to farmers through their own retail outlets, while five also engage in the cooperative marketing of farm products. The individual reports in part I show clearly the main points of similarity and of difference.

Unfortunately, it is not possible to provide here information for a considerable number of regional farm supply purchasing cooperatives which have total net sales of less than 2.5 million dollars. It is hoped that information for such associations may be included when this handbook is revised to give information for later years. It should also be pointed out that there are many regional cooperative marketing-purchasing associations that perform an extensive cooperative purchasing service. Appendix A presents information on the value of supplies distributed to farmers through three associations of this type which had combined supply sales in excess of 38 million dollars in 1944.

PART I INDIVIDUAL REPORTS FOR 18 MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES FOR FISCAL YEARS ENDING IN 1943 AND IN 1944

In this section is presented information for each of the 18 associations on such matters as date of organization, area of service, types of local outlets, volume of business, distribution of savings, and financial condition.

NOTE: - Appreciation is here expressed to the associations which have kindly provided the information required for the preparation of this handbook and to Mrs. Jeanne Franklin for her valuable aid, both technical and secretarial.

COOPERATIVE GRANGE LEAGUE FEDERATION EXCHANGE, INC.

The Cooperative Grange League Federation Exchange, Inc., commonly called "The G.L.F.," was organized on June 28, 1920. From its administrative offices in Ithaca, New York, it serves farmers in New York, New Jersey, and the northern tier of counties in Pennsylvania - the territory known as the "New York Milkshed."

The G.L.F. has a centralized form of organization. Its board of directors is directly responsible to its farmer-members. Membership is determined by ownership of common stock or by the extent of an individual's purchases or sales through the organization. Any farmer-patron who annually purchases or sells \$100 or more of supplies or produce through the organization qualifies as a member. The G.L.F. can also be described as an integrated organization since it performs manufacturing, processing, wholesaling, transportation, and retailing services. At the end of the fiscal year, June 30, 1944, the G.L.F. served over 250,000 patrons, or about one farmer out of every two in its service area.

On June 30, 1944, the G.L.F. was serving its patrons through the following types of retail organization:

<u>Type of retail organization</u>	<u>Number</u>
G.L.F. retail service stores.....	196
G.L.F. farm repair and machine services.....	4
G.L.F. petroleum bulk plants.....	44
G.L.F. agent buyers.....	378
Independent local cooperatives.....	42
Farmer agents.....	15
Supplementary agents.....	<u>25</u>
 Total retail outlets.....	 <u>704</u>

The G.L.F. retail service stores distribute farm supplies and market farm products for G.L.F. patrons. They have a considerable amount of local autonomy although they are centrally financed and supervised. The G.L.F. petroleum bulk plants are organized in a similar way except that they are located to perform a specialized petroleum service for patrons over wider areas. The G.L.F. agent-buyers are private concerns which have been granted a franchise to handle G.L.F. farm supplies in accordance with G.L.F. instructions. The independent local cooperatives are largely locally controlled farmers' marketing associations which also perform a cooperative purchasing service. The farmer-agents are generally large individual buyers who occasionally also serve neighboring patrons.

These various types of retail organization obtain G.L.F. supplies for resale under the same wholesale terms through the manufacturing plants and warehouses which the G.L.F. maintains at Buffalo, Albany, and other strategically located terminal centers.

The wholesale value of supplies sold by the G.L.F. to these retail outlets was as follows for the fiscal years ending June 30, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed, flour, and cereals.....	\$57,941,936	\$77,483,318
Fertilizer and lime.....	4,102,897	5,271,872
Seed and seed potatoes.....	2,779,281	3,570,469
Petroleum products.....	5,371,392	6,024,584
Tires, tubes, and accessories.....	329,193	502,151
Farm equipment, accessories, and tools.....	1,180,625	1,423,551
Steel products.....	262,765	572,174
Lumber, paint, roofing, cement, etc.....	1,337,874	1,224,265
Insecticides, sprays, shells, bedding, etc.....	1,125,413	1,339,284
Rope and twine.....	244,311	126,813
Molasses and cod-liver oil.....	79,893	156,114
Package materials ¹	487,306	1,039,379
Miscellaneous ²	251,347	435,447
Groceries.....	<u>357,255</u>	<u>822,163</u>
 Total wholesale sales before elimination of intercompany sales.....	 \$75,851,488	 \$99,991,584
 Total wholesale sales after elimination of estimated intercompany sales.....	 <u>\$75,702,987</u>	 <u>\$99,781,790</u>

The value of supplies sold at retail to farmers through G.L.F. managed retail outlets were as follows for the years ending June 30, 1943 and 1944:

	<u>1943</u>	<u>1944</u>
G.L.F. retail service and farm repair services..	\$45,011,206	\$61,822,766
G.L.F. petroleum bulk plants.....	<u>5,742,431</u>	<u>6,759,973</u>
 Total.....	 <u>\$50,753,637</u>	 <u>\$68,582,739</u>

During recent years, the G.L.F. has greatly expanded its farm product cooperative marketing services. In some cases, its marketing operations are performed through the G.L.F. service stores described above with such special facilities as may be required. In many cases, however, separate facilities such as canning plants are maintained. The following shows the types of marketing facilities:

<u>Types of marketing facilities</u>	<u>Number</u>
Canning plants.....	2
Bean plants.....	4
Flour and cereal plants.....	5

¹Includes baskets and crates.

²Includes soap, rubber and canvas, agency supplies, etc.

<u>Types of marketing facilities</u>	<u>Number</u>
Produce auctions.....	3
Terminal egg sales services.....	5
Country egg stations.....	16
Terminal sales agencies for beans, wheat, canned goods, and fresh produce.....	3
Cold storages.....	2
Livestock service.....	1
Transportation service.....	1

The value of farm products marketed by the G.L.F. is shown below for the years ending June 30, 1943 and 1944:

<u>Commodities</u>	<u>Value of products marketed</u>	
	<u>1943</u>	<u>1944</u>
Eggs.....	\$6,485,702	\$8,428,063
Fruits and vegetables (including canned goods)	2,457,344	2,527,775
Grain (including flours and cereals).....	1,448,074	910,639
Beans.....	998,087	1,230,268
Hay and straw.....	86,803	979,928
Miscellaneous ¹	<u>542,977</u>	<u>682,588</u>
Total marketing sales after elimination of estimated intercompany sales.....	<u>\$12,018,987</u>	<u>\$14,759,261</u>

The net savings of the G.L.F. for the years ending June 30, 1943 and 1944 were derived as follows:

	<u>1943</u>	<u>1944</u>
Manufacturing and wholesale.....	\$3,707,024	\$5,347,968
G.L.F. retail service stores.....	1,390,412	2,000,134
Petroleum distribution operations.....	152,165	216,507
Marketing sales ²	189,465	419,169
Less intercompany dividends.....	<u>-2,268</u>	<u>-2,320</u>
Total net savings.....	<u>\$5,436,798</u>	<u>\$7,981,458</u>

These net savings were distributed in the following manner:

	<u>1943</u>	<u>1944</u>
Interest on participation certificates.....	\$25,551	\$100,947
Cash dividends on stock.....	182,595	366,405
Patronage refunds in cash.....	298,083	5,171,799
Patronage refunds in capital stock.....	-	384,714

¹ Includes egg cases, potatoes, bags, poultry, meat, and seed.

² Including service stores operated by the marketing division.

	<u>1943</u>	<u>1944</u>
Patronage refunds in participation certificates..	\$2,950,475	\$48,993
Additions to reserves ¹	<u>1,980,094</u>	<u>1,908,600</u>
Total.....	<u>\$5,436,798</u>	<u>\$7,981,458</u>

The financial condition of the G.L.F. as of June 30, 1943 and 1944 is shown in the following condensed consolidated balance sheet of the Cooperative G.L.F. Exchange, Inc., and its wholesale subsidiaries:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$16,268,735	\$18,751,363
Fixed assets.....	2,821,950	2,899,253
Other assets.....	<u>1,055,063</u>	<u>1,881,736</u>
Total assets.....	<u>\$20,145,748</u>	<u>\$23,532,352</u>
Liabilities and net worth:		
Current liabilities.....	\$5,307,484	\$6,634,660
Other liabilities.....	1,466,667	1,300,000
Net worth ²	<u>13,371,597</u>	<u>15,597,692</u>
Total liabilities and net worth.....	<u>\$20,145,748</u>	<u>\$23,532,352</u>

Of the net worth on June 30, 1944, savings retained out of margins represented 51.1 percent, the remaining 48.9 percent being accumulated through the sale of stock (including that issued in exchange for participation certificates).

The following tabulation provides information on the number and value of facilities owned and operated by the G.L.F. on June 30, 1944:

	Number of plants or units	Cost value	Depreciated value
Feed mills.....	3	\$4,001,402	\$1,338,246
Fertilizer and insecticide plants...	10	837,286	355,923
Seed cleaning plants.....	5	606,164	146,431
Wholesale farm supply warehouses....	7	103,567	79,842
Petroleum bulk storage.....	1	62,305	61,284
Retail farm supply stores.....	196	2,871,332	1,358,731
Farm repair services.....	4	25,999	23,211
Bulk petroleum plants.....	44	508,019	235,535

	<u>1943</u>	<u>1944</u>
¹ Additions to reserves for contingent liabilities.....	\$524,789	\$412,507
Write-offs, absorptions, etc.....	189,929	119,771
Additions to patrons' equity reserves.....	1,265,376	1,376,322

²Includes reserves for price declines, insurance emergencies, etc.

	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Lumber mill and package manufacturing.....	2	\$312,663	\$142,243
Marketing warehouses and processing plants (includes two canning plants) ¹	46	788,309	591,291
Office buildings.....	1	513,937	113,152
Tractors, trucks, etc. ²	644	1,053,459	460,363
Office equipment.....		498,579	144,898
Miscellaneous.....	8	<u>131,364</u>	<u>80,469</u>
Total.....		<u>\$12,314,385</u>	<u>\$5,131,619</u>

The wide difference between the cost and depreciated value of such facilities, as shown above, reflects the rapid rate at which the G.L.F. has depreciated its facilities as a matter of policy. Cost values would more nearly reflect the cost of replacement.

On June 30, 1944, the G.L.F. had 3,355 employees. Of these 242 were engaged in general administration activities, 1,338 in manufacturing and processing operations, 1,285 in retail distribution, and 490 in farm product marketing work. These figures do not include retail employees of independent cooperatives and agent-buyers and their employees who may spend the bulk of their time in distributing G.L.F. farm supplies.

SOUTHERN STATES COOPERATIVE, INC.

The Southern States Cooperative, Inc., of Richmond, Virginia, was organized on July 21, 1923, under the name, Virginia Seed Service. At the end of its operating year, June 30, 1944, it was serving approximately 160,000 patrons in Virginia, West Virginia, Maryland, and Delaware. More than 99 percent of its patrons were farmers, while 91 percent were members. A farmer-patron becomes a member by acquiring ownership of a share of stock through the application of patronage refund payments.

On June 30, 1944, the S.S.C. was serving its patrons through the following types of retail organization:

<u>Types of retail outlet</u>	<u>Number</u>
S.S.C. retail service stores.....	64
S.S.C. petroleum service plants.....	18
S.S.C. service agencies.....	715
Independent local cooperative associations.....	31
Farmer agents (fertilizer only).....	589

The S.S.C. retail service stores and petroleum service plants are separately incorporated cooperative associations which are under the management supervision of the S.S.C. The S.S.C. service agencies are private

¹Includes 8 service stores operated by the marketing division.

²Includes 49 small trailers.

retail supply dealers who have contracted to handle S.S.C. supplies under agreed-upon conditions. The independent local cooperatives are separately incorporated marketing and purchasing associations which use the S.S.C. as a wholesale source of supply. The farmer-agents are individual farmers who pool fertilizer orders and arrange distribution for their neighbors.

In addition to performing a wholesale service for the above groups of retail outlets, the S.S.C. also performs a feed manufacturing service for the Farmers Cooperative Exchange of North Carolina, the Pennsylvania Farm Bureau Cooperative Association, Inc., and the Farm Bureau Cooperative Association, Inc., of Ohio, through jointly owned manufacturing facilities. Similarly, manufacturing service for fertilizer is performed for the Farmers Cooperative Exchange of North Carolina and the Pennsylvania Farm Bureau Cooperative Association, Inc.

The value of supplies distributed at wholesale through the retail outlets enumerated above, plus the value of supplies manufactured for the account of affiliated regional cooperatives, was as follows for the fiscal years ending June 30, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$17,744,762	\$25,035,261
Fertilizer.....	5,416,557	5,922,237
Seed.....	2,051,667	2,619,249
Petroleum.....	750,000	1,311,354
Other supplies.....	<u>2,561,953</u>	<u>6,326,526</u>
Total.....	<u>\$28,524,939</u>	<u>\$41,214,627</u>

The value of supplies distributed at retail by S.S.C. managed retail outlets amounted to \$9,974,875 in 1943 and \$14,025,814 in 1944.

The value of S.S.C. marketing sales (eggs) amounted to \$2,005,690 in 1943 and \$2,572,349 in 1944.

The combined value of all commodities sold through the S.S.C. thus amounted to \$40,505,504 in 1943 and \$57,850,787 in 1944.

The total savings from all operations amounted to \$1,829,209 in 1943 and \$3,170,194 in 1944. These savings were distributed in the following way:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$148,808	\$184,272
Patronage refunds in cash.....	99,756	196,897
Patronage refunds paid in capital stock.....	868,239	1,849,735
Retained in reserves or unallocated.....	712,906	939,290

The financial condition of the S.S.C. as of June 30, 1943 and 1944 is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$5,244,596	\$7,131,780
Fixed assets.....	2,254,295	2,138,456
Other assets.....	<u>362,296</u>	<u>455,931</u>
Total.....	<u>\$7,861,187</u>	<u>\$9,726,167</u>
Liabilities and net worth:		
Current liabilities.....	\$1,061,655	\$1,576,429
Fixed indebtedness.....	1,760,000	510,000
Net worth (capital and reserves).....	<u>5,039,532</u>	<u>7,639,738</u>
Total.....	<u>\$7,861,187</u>	<u>\$9,726,167</u>

Retained savings represented 51 percent of the net worth as of June 30, 1944.

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Feed mills.....	5	\$1,188,400	\$819,786
Fertilizer plants.....	3	569,555	398,691
Seed cleaning plants and wholesale farm supply warehouses.....	5	395,303	308,232
S.S.C. retail service stores.....	64	340,666	254,004
Bulk petroleum plants.....	18	282,080	198,683
Oil delivery trucks.....	46	120,431	72,089
Transport trucks.....	9	34,591	14,674
General delivery trucks.....	38	<u>36,318</u>	<u>10,391</u>
Total value.....		<u>\$2,967,344</u>	<u>\$2,076,550</u>

On June 30, 1944, the S.S.C. had 1,305 employees. Of these 247 were engaged in general administrative activities, 651 in manufacturing and processing operations and in marketing operations, and 407 in retail distribution.

EASTERN STATES FARMERS' EXCHANGE

The Eastern States Farmers' Exchange, with headquarters at West Springfield, Massachusetts, was organized on January 28, 1918. At the end of its operating year, December 31, 1944, it was serving over 82,302 patrons located in the six New England States, in Pennsylvania (except for the northern tier of counties), in Delaware, and in part of Maryland.

Membership in the Eastern States Farmers' Exchange is determined by use. Every farmer who purchases through the Exchange becomes a member and remains a member for 2 calendar years after the date of last purchase. Only 1.9 percent of the volume of 1944 business was with nonfarmers.

The Eastern States Farmers' Exchange serves its patrons through 480 farmer-representatives, through 20 independent cooperative associations which also serve as representatives, and through 61 regional branch warehouses which are strategically located to supplement local car-door distribution.

The Exchange is an integrated organization of farmers which performs buying, manufacturing, and farm supply purchasing functions. The values of the purchases by patrons for 1943 and 1944 were as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed and grain.....	\$42,394,689	\$47,724,367
Field seeds.....	886,863	1,162,014
Seed potatoes.....	601,901	984,454
Vegetable seeds.....	168,624	168,633
Fertilizer and lime.....	2,104,787	2,505,308
Spray materials.....	266,584	307,135
Miscellaneous (roofing, oil, paint, etc.).....	<u>474,284</u>	<u>499,401</u>
Total.....	<u>\$46,897,732</u>	<u>\$53,351,312</u>

The total savings of the Eastern States Farmers' Exchange were \$1,910,421 in 1943 and \$1,752,104 in 1944. These savings were distributed as follows for the 2 years:

	<u>1943</u>	<u>1944</u>
Patronage refunds.....	\$1,279,982	\$1,173,910
Retained in reserves.....	<u>630,439</u>	<u>578,194</u>
Total.....	<u>\$1,910,421</u>	<u>\$1,752,104</u>

The financial statements for the Eastern States Farmers' Exchange as of December 31, 1943 and 1944, were as follows:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$7,905,192	\$7,395,810
Fixed assets.....	1,661,242	1,372,100
Other assets.....	<u>291,964</u>	<u>271,921</u>
Total assets.....	<u>\$9,858,398</u>	<u>\$9,039,831</u>
Liabilities and net worth:		
Current liabilities.....	\$5,766,659	\$1,789,898
Fixed indebtedness.....	-	2,580,000
Net worth (patrons' equity).....	<u>4,091,739</u>	<u>4,669,933</u>
Total liabilities and net worth.....	<u>\$9,858,398</u>	<u>\$9,039,831</u>

It is significant that all of the net worth, or patrons' equity, was accumulated through retained savings.

The accumulated capital expenditures of the Exchange for its feed mill, two fertilizer plants, regional warehouses, and other operating facilities, amounted to \$6,699,958 on December 31, 1944. However, only \$1,372,100 was carried on the books as capital investment since the Exchange has followed the policy of writing off the value of its facilities and equipment, recognizing that in a bona fide nonprofit patron-owned cooperative, facilities so financed cost patrons less and result in lower margins and service charges.

On December 31, 1944, the Exchange had 1,004 employees of which 276 were employed in general administration, 568 in manufacturing and processing, and 160 in distribution through its warehouses. These figures include employees on the pay roll of the organization. They do not include the number of farmer-representatives and employees of cooperatives who distribute supplies for the Exchange for local handling charges paid by members.

(OHIO) FARM BUREAU COOPERATIVE ASSOCIATION, INC.

The Farm Bureau Cooperative Association, Inc., with headquarters at Columbus, Ohio, was organized in its present form on July 31, 1933. At the end of its operating year, December 31, 1944, it was serving 85 member associations, with 176 distribution points, in the State of Ohio. These cooperative outlets served 109,000 patrons, of whom 92 percent were farmers.

The wholesale supply sales of the Farm Bureau Cooperative Association, Inc., were distributed for 1943 and 1944 in the following way:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$5,216,916	\$7,053,889
Fertilizer.....	1,959,346	2,430,297
Seed and seed potatoes.....	800,908	1,103,952
Gas, oil, and grease.....	2,376,122	2,233,189
Tires, tubes, and other accessories.....	88,730	116,350
Farm machinery.....	148,663	374,261
Farm equipment.....	44,164	71,592
Steel products.....	442,379	971,975
Lumber, paint, and other maintenance equipment.	182,066	161,257
Insecticides.....	220,754	205,321
Electrical equipment and appliances.....	147,015	236,927
Twine.....	81,933	39,634
Coal.....	294,305	288,918
Miscellaneous farm supplies.....	<u>356,133</u>	<u>563,096</u>
Total wholesale supply sales.....	<u>\$12,359,434</u>	<u>\$15,850,658</u>

The value of farm products marketed through the Farm Bureau Cooperative Association, Inc., amounted to the following:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Grain.....	\$5,547,475	\$4,460,416
Eggs, butter.....	<u>1,426,653</u>	<u>1,433,636</u>
Total value of farm products.....	<u>\$6,974,128</u>	<u>\$5,894,052</u>

The total net savings from all operations amounted to \$494,494 in 1943 and \$547,771 in 1944. The distribution of these savings was as follows:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$31,685	\$65,790
Cash patronage refunds.....	53,740	74,401
Patronage refunds in capital stock.....	288,993	294,989
Retained in reserves.....	<u>120,076</u>	<u>112,591</u>
Total net savings.....	<u>\$494,494</u>	<u>\$547,771</u>

The financial condition of the Farm Bureau Cooperative Association, Inc., as of December 31, 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$2,603,852	\$3,127,794
Fixed assets.....	844,947	1,187,088
Other assets.....	<u>652,303</u>	<u>663,278</u>
Total assets.....	<u>\$4,101,102</u>	<u>\$4,978,160</u>
Liabilities and net worth:		
Current liabilities.....	\$1,195,057	\$1,577,366
Other liabilities.....	588,583	510,000
Net worth (capital and reserves).....	<u>2,317,462</u>	<u>2,890,794</u>
Total liabilities and net worth.....	<u>\$4,101,102</u>	<u>\$4,978,160</u>

Sixty-two percent of the net worth was accumulated through the sale of stock, while 38 percent was retained out of savings.

The principal operating facilities owned and operated by the Farm Bureau Cooperative Association, Inc., at the close of the 1944 fiscal year are listed below:

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Feed mills.....	5	\$623,098	\$538,506
Fertilizer plants ¹	4	331,180	269,966

¹The Farm Bureau Cooperative Association also held a part ownership in two other cooperative fertilizer plants which was valued on its books at \$120,289 as of December 31, 1944.

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Wholesale farm supply warehouses.....	4	\$13,871	\$1,898
Refinery.....	1	289,880	242,449
Transport trucks.....	1	8,695	1,736
Oil delivery trucks.....	8	<u>78,073</u>	<u>29,957</u>
Total value.....		<u>\$1,344,797</u>	<u>\$1,084,512</u>

In addition to the above, the association held investments of \$505,000 in facilities jointly owned with other cooperative associations.

As of December 31, 1944, the Farm Bureau Cooperative Association, Inc., had 368 employees. Of this number, 106 were engaged in general administration, 239 in manufacturing and processing, and 23 in wholesale distribution.

FRUIT GROWERS SUPPLY COMPANY

The Fruit Growers Supply Company of Los Angeles, California, organized in October 1907, is the oldest major farmers' cooperative purchasing association. It serves 172 member citrus packing house associations with 12,000 farmer-members who are located in the citrus districts of southern and central California. Although separately incorporated and managed, it is in fact the supply department for the California Fruit Growers Exchange.

The wholesale supply sales of the Fruit Growers Supply Company were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Fertilizer.....	\$1,295,093	\$2,140,678
Miscellaneous orchard supplies.....	121,088	118,566
Gas, oil, and grease.....	45,103	47,108
Insecticides.....	1,311,757	1,122,901
Box shook, tissue paper wraps, and other packing supplies.....	<u>9,656,877</u>	<u>13,513,140</u>
Total wholesale supply sales.....	<u>\$12,429,918</u>	<u>\$16,942,393</u>

The total patronage refunds on these sales amounted to \$1,283,961 in 1943 and \$1,882,866 in 1944, all of which were distributed in cash.

The financial condition of the Fruit Growers Supply Company as of December 31, for 1943 and 1944 is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$4,665,645	\$6,219,825
Fixed assets.....	<u>3,223,988</u>	<u>5,888,995</u>
Total assets.....	<u>\$7,889,633</u>	<u>\$12,108,820</u>

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$862,402	\$1,662,656
Other liabilities.....	-	2,000,000
Net worth (capital and reserves).....	<u>7,027,231</u>	<u>8,446,164</u>
Total liabilities and net worth.....	<u>\$7,889,633</u>	<u>\$12,108,820</u>

At the close of the 1944 season the Fruit Growers Supply Company had \$3.74 in current assets for every dollar of current liabilities, and the net worth amounted to 70 percent of the total assets.

As of December 31, 1944, 70.34 percent of the net worth had been accumulated through the sale of stock, while 29.66 percent represented savings temporarily retained out of earnings.

The Fruit Growers Supply Company owns and operates three lumber plants which at the close of 1944 had a depreciated value of \$3,385,958.

On December 31, 1944, the Company had 1,750 employees engaged in manufacturing and processing and 53 engaged in general administration.

ILLINOIS FARM SUPPLY COMPANY

The Illinois Farm Supply Company, with headquarters in Chicago, was organized in 1927. At the end of its operating year, August 31, 1944, it was providing a wholesale farm supply service for 152 member associations¹ throughout the State of Illinois which, in turn, served about 125,000 patrons, of whom approximately 95 percent were farmers. Member associations must operate under the Capper-Volstead Act and the Agricultural Cooperative Act of Illinois, and must be engaged wholly or partly in cooperative distribution of farm supplies.

The wholesale supply sales of the Illinois Farm Supply Company were distributed as follows during the fiscal years ending August 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$3,134,318	\$2,778,771
Fertilizer.....	103,249	139,430
Petroleum products.....	9,778,102	10,223,361
Tires, tubes, and accessories.....	242,481	367,746
Farm equipment.....	47,013	43,127
Steel products.....	220,529	144,234
Lumber, paint, other maintenance equipment...	298,497	442,846
Insecticides.....	74,235	83,339
Electrical equipment.....	11,143	2,064
Twine.....	38,517	18,698
Miscellaneous ²	<u>1,719,542</u>	<u>2,388,775</u>
Total wholesale sales.....	<u>\$15,667,626</u>	<u>\$16,632,391</u>

¹65 of the member associations are cooperative petroleum service companies which operate over county-wide areas. The remaining 87 are farmers' cooperative associations of various types.

²Miscellaneous figures in both 1943 and 1944 include the gross freight income of the transportation department.

The total net savings from all operations amounted to \$1,055,073 in 1943 and \$973,970 in 1944. These savings were distributed for the 2 years in the following way:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$39,687	\$45,920
Patronage refunds in cash.....	821,230	749,810
Additions to reserves.....	118,556	178,240
Patronage refunds in stock.....	<u>75,600</u>	<u>-</u>
Total.....	<u>\$1,055,073</u>	<u>\$973,970</u>

The financial condition of the Illinois Farm Supply Company, as of August 31, 1943 and 1944, was as follows:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$2,499,711	\$2,545,926
Fixed assets.....	261,442	250,668
Other assets.....	<u>47,649</u>	<u>104,487</u>
Total assets.....	<u>\$2,808,802</u>	<u>\$2,901,081</u>
Liabilities and net worth:		
Current liabilities.....	\$1,105,495	\$1,035,305
Other liabilities.....	141,499	170,247
Net worth (capital and reserves).....	<u>1,561,808</u>	<u>1,695,529</u>
Total liabilities and net worth.....	<u>\$2,808,802</u>	<u>\$2,901,081</u>

On August 31, 1944, 39.5 percent of the net worth had been accumulated through the sale of stock while 60.5 percent represented savings retained out of earnings.

Information on the type and value of principal operating facilities owned by the Illinois Farm Supply Company as of August 31, 1944, is here given:

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Marine terminal bulk petroleum plants	2	\$188,531	\$40,561
Transport trucks.....	18	149,415	45,839
Barges.....	4	95,189	21,928
Towboats.....	2	155,661	126,004
Laboratory.....	1	<u>6,736</u>	<u>5,953</u>
Total operating facilities.....		<u>\$595,532</u>	<u>\$240,285</u>

As of August 31, 1944, the Illinois Farm Supply Company had 162 employees, of whom 78 were engaged in general administration and 84 in wholesale distribution.

CONSUMERS COOPERATIVE ASSOCIATION

The Consumers Cooperative Association of North Kansas City, Missouri, was organized in 1929. At the end of its operating year, August 31, 1944, it served 792 member and 290 nonmember associations in Missouri, Kansas, Oklahoma, Nebraska, Iowa, Colorado, North Dakota, South Dakota, Utah, and Wyoming. These associations, in turn, served approximately 150,000 patrons, of whom about 98 percent were farmers.

The wholesale supply sales of the C.C.A. were distributed as follows for the fiscal year ending August 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Petroleum products.....	\$7,913,321	\$12,254,000
Tires, tubes, and accessories.....	489,807	405,845
Paint.....	104,676	104,360
Twine.....	249,174	94,363
Spray.....	18,810	16,730
Feed.....	-	788,178
Machinery.....	3,956	35,283
Wire and steel.....	67,130	137,059
Lumber and roofing.....	360,502	635,083
Groceries.....	709,709	853,874
Household appliances.....	91,060	158,637
Miscellaneous ¹	<u>11,361</u>	<u>67,194</u>
Total wholesale sales.....	<u>\$10,019,506</u>	<u>\$15,550,606</u>

On August 31, 1944, the C.C.A. was serving 6,706 members direct through facilities operated by its retail department. The retail sales of this department decreased from \$479,610 in 1943 to \$305,591 in 1944.

The net savings of the C.C.A. were as follows for the fiscal years ending August 31, 1943 and 1944:

	<u>1943</u>	<u>1944</u>
Wholesale.....	\$196,787	\$236,976
Retail.....	<u>5,120</u>	<u>8,097</u>
Total.....	<u>\$201,907</u>	<u>\$245,073</u>

The financial condition of the C.C.A. as of August 31, 1943 and 1944, is shown below:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,039,717	\$1,935,122
Fixed assets.....	554,703	849,972
Other assets.....	<u>1,084,446</u>	<u>1,954,408</u>
Total assets.....	<u>\$2,678,866</u>	<u>\$4,739,502</u>

¹Service station equipment and farm supplies.

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$703,383	\$1,480,114
Other liabilities.....	311,440	526,060
Net worth (capital and reserves).....	<u>1,664,043</u>	<u>2,733,328</u>
Total liabilities and net worth.....	<u>\$2,678,866</u>	<u>\$4,739,502</u>

Of the net worth as of August 31, 1944, 7 percent was accumulated through sale of stock, and 93 percent represented savings retained out of earnings.

The C.C.A. employs three subsidiary corporations to perform manufacturing services - the Cooperative Refinery Association, the Cooperative Pipe Line Association, and the Cooperative Oil Producing Association. The common stock of each subsidiary organization is owned by the Consumers Cooperative Association, and its directors are also the directors of the subsidiary corporations. Savings of the subsidiaries after reserves have been created and dividends paid on common and preferred stock accrue to the C.C.A. For that reason the full financial condition of the enterprise controlled by the C.C.A. can only be shown by combining the financial statements of the C.C.A. with those of its three subsidiary corporations. The composite balance sheets of the C.C.A., and of the C.R.A., C.P.L.A., and the C.O.P.A., for the years ending August 31, 1943 and 1944, were as follows:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,561,120	\$5,407,774
Fixed assets.....	1,860,875	4,708,629
Other assets.....	<u>886,661</u>	<u>1,541,830</u>
Total assets.....	<u>\$4,308,656</u>	<u>\$11,658,233</u>
Liabilities and net worth:		
Current liabilities.....	\$877,065	\$2,367,989
Other liabilities.....	621,151	4,458,439
Net worth.....	<u>2,810,440</u>	<u>4,831,805</u>
Total liabilities and net worth.....	<u>\$4,308,656</u>	<u>\$11,658,233</u>

The combined net sales of the C.C.A., and the C.R.A., C.P.L.A., and the C.O.P.A., for the years ending August 31, 1943 and 1944, were as follows:

<u>Sales</u>	<u>1943</u>	<u>1944</u>
Consumers Cooperative Association.....	\$10,499,115	\$15,856,197
Cooperative Refinery Association.....	3,008,606	10,994,597
Cooperative Pipe Line Association.....	1,709,073	1,307,434
Cooperative Oil Producing Association.....	<u>31,340</u>	<u>52,728</u>
Total sales.....	<u>\$15,248,134</u>	<u>\$28,210,956</u>

The following tabulation shows the combined savings of the C.C.A., C.R.A., C.P.L.A., and C.O.P.A., for the years ending August 31, 1943 and 1944:

	<u>1943</u>	<u>1944</u>
Consumers Cooperative Association.....	\$201,908	\$245,073
Cooperative Refinery Association.....	595,939	1,267,132
Cooperative Pipe Line Association.....	58,102	11,024
Cooperative Oil Producing Association.....	<u>10,665</u>	<u>2,575</u>
Total.....	<u>\$866,614</u>	<u>\$1,525,804</u>

These savings were distributed in the following manner for the 2 years:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$31,938	\$39,759
Patronage refunds in cash.....	21,709	34,982
Patronage refunds in share capital.....	68,340	125,347
Additions to reserves.....	121,573	365,851
Deferred patronage refunds and revolving fund.....	<u>623,054</u>	<u>959,865</u>
Totals.....	<u>\$866,614</u>	<u>\$1,525,804</u>

The Consumers Cooperative Association and its subsidiary corporations had 1,804 employees on August 31, 1944, of whom 251 were employed in general administration, 1,279¹ in manufacturing and processing, 145 in wholesale distribution, and 129 in retail distribution.

INDIANA FARM BUREAU COOPERATIVE ASSOCIATION, INC.

The Indiana Farm Bureau Cooperative Association, Inc., with headquarters at Indianapolis, Indiana, was organized in its present form in February 1927. At the end of its operating year, December 31, 1944, it was serving 87 county farm bureau cooperative associations, 1 of which is located in Kentucky and the remainder in Indiana. Together, these associations distribute supplies to approximately 100,000 patrons, 95 percent of whom are farmers.

The wholesale supply sales of the Indiana Farm Bureau Cooperative Association, Inc., were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$2,207,538	\$2,554,016
Fertilizer.....	2,072,341	2,437,504
Seed.....	495,210	674,879
Gas, oil, and grease.....	4,461,153	4,628,624
Tires, tubes, and other accessories.....	56,150	68,341
Farm machinery.....	174,767	449,000

¹368 used in canning operations during seasonal pack only.

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Farm equipment.....	\$99,131	\$171,730
Steel products.....	819,272	1,721,567
Lumber, paint, and other maintenance equipment.	1,053,067	1,433,978
Insecticides.....	65,813	62,322
Electrical equipment and appliances.....	120,064	198,798
Twine.....	44,623	29,227
Coal.....	527,941	828,044
Chicks, eggs, and poultry.....	211,257	154,994
Miscellaneous.....	<u>244,894</u>	<u>313,800</u>
Total wholesale supply sales.....	<u>\$12,653,221</u>	<u>\$15,726,824</u>

The total net savings on these sales amounted to \$1,323,887 in 1943 and \$1,014,758 in 1944. The savings were distributed as follows:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$85,147	\$101,657
Patronage refunds in cash.....	925,424	556,210
Retained in reserves.....	308,444	355,609
Retained for surplus adjustments.....	<u>4,872</u>	<u>1,282</u>
Total net savings.....	<u>\$1,323,887</u>	<u>\$1,014,758</u>

The financial condition of the Indiana Farm Bureau Cooperative Association, Inc., as of December 31, for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$3,374,733	\$3,379,630
Fixed assets.....	983,745	876,989
Other assets.....	<u>1,038,391</u>	<u>1,790,480</u>
Total assets.....	<u>\$5,396,869</u>	<u>\$6,047,099</u>
Liabilities and net worth:		
Current liabilities.....	\$1,451,994	\$1,499,028
Other liabilities.....	324,500	167,500
Net worth (capital and reserves).....	<u>3,620,375</u>	<u>4,380,571</u>
Total liabilities and net worth.....	<u>\$5,396,869</u>	<u>\$6,047,099</u>

On December 31, 1944, 81.4 percent of the net worth represented savings retained out of earnings, while 18.6 percent had been accumulated through the sale of stock.

At the close of 1944, the Indiana Farm Bureau Cooperative Association, Inc., owned and operated the following principal facilities:

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Fertilizer plants.....	1	\$253,041	\$184,929
Seed cleaning plants.....	1	14,623	6,256
Wholesale farm supply warehouses....	1	112,386	67,140
Petroleum refinery.....	1	356,291	207,210
Transport trucks.....	-	122,362	24,785
General delivery trucks.....	-	4,751	312
Barge and towboat.....	1	<u>122,231</u>	<u>110,777</u>
Total value.....		<u>\$985,685</u>	<u>\$601,409</u>

In addition to the above, the association held investments of approximately \$1,500,000 in facilities jointly owned with other cooperative associations.

The association had at the close of the 1944 season 325 employees of whom 161 were engaged in general administration activities, 64 in manufacturing and processing, and 100 in wholesale distribution work.

FARM BUREAU SERVICES, INC.

Farm Bureau Services, Inc., with headquarters at Lansing, Michigan, was organized on October 25, 1929, to provide a cooperative wholesale farm supply service for farmers' cooperative associations in Michigan. At the end of its fiscal year, August 31, 1944, this organization provided supply service through 141 member-associations,¹ 25 nonmember associations, and 200 private dealer-outlets to some 200,000 patrons. Farmers represented approximately 90 percent of the patrons of these retail outlets.

Wholesale sales of Farm Bureau Services, Inc., were distributed by commodities as follows for the fiscal years ending August 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$1,805,554	\$2,292,257
Fertilizer.....	666,459	879,281
Seed.....	567,961	742,544
Petroleum products.....	768,253	850,648
Tires, tubes, and accessories.....	14,567	25,598
Steel products.....	188,005	484,058
Lumber, paint, and other maintenance equipment...	54,438	57,061
Insecticides.....	165,154	181,979
Machinery, electrical equipment and appliances...	260,031	515,392

¹Of these, 14 associations were managed by Farm Bureau Services, Inc., under "Management Contracts."

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Binder twine.....	\$84,042	\$50,969
Coal.....	138,029	128,924
Miscellaneous.....	<u>45,000</u>	<u>-</u>
Total wholesale sales.....	<u>\$4,757,493</u>	<u>\$6,208,711</u>

In addition to the wholesale supply sales, the value of supplies distributed direct to consumers through nine branch retail outlets amounted to \$1,423,942 in 1943 and \$6,937,768 in 1944.

While Farm Bureau Services, Inc., is primarily a cooperative purchasing association, it also marketed farm products as follows during the years ending August 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Grain.....	\$162,500	\$237,266
Beans and potatoes.....	16,054	¹ 340,296
Eggs and poultry.....	<u>72,942</u>	<u>104,122</u>
Total.....	<u>\$251,496</u>	<u>\$681,684</u>

The total net savings of the organization for the fiscal years 1943 and 1944 were as follows:

	<u>1943</u>	<u>1944</u>
On wholesale supply sales.....	\$155,757	\$252,546
On retail supply sales.....	45,776	47,307
On marketing sales.....	<u>8,086</u>	<u>16,619</u>
Total.....	<u>\$209,619</u>	<u>\$316,472</u>

These savings were distributed as follows:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$15,981	\$22,258
Patronage refunds in capital stock.....	<u>193,638</u>	<u>294,214</u>
Total.....	<u>\$209,619</u>	<u>\$316,472</u>

The financial condition of Farm Bureau Services, Inc., as of August 31, 1943 and 1944, is shown by the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$782,257	\$1,037,031
Fixed assets.....	245,468	234,338
Other assets.....	<u>195,937</u>	<u>266,886</u>
Total assets.....	<u>\$1,223,662</u>	<u>\$1,538,255</u>

¹Includes approximately \$330,000 value of supplies handled on commission basis.

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$225,498	\$260,881
Fixed indebtedness.....	92,105	71,351
Net worth (capital and reserves).....	<u>906,059</u>	<u>1,206,023</u>
Total liabilities and net worth.....	<u>\$1,223,662</u>	<u>\$1,538,255</u>

The net worth, as of August 31, 1944, largely represented retained savings, only 8 percent having been accumulated through sale of stock and membership fees.

Information on the type and value of principal operating facilities owned by the Farm Bureau Services, Inc., as of August 31, 1944, is here given:

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Wholesale farm supply warehouse.....	3	\$114,564	\$102,980
Seed cleaning plant.....	1	18,356	11,614
Retail farm supply branches.....	10	126,451	82,100
General delivery truck.....	22	19,188	4,916
Bulk petroleum plants ¹	2	7,336	4,943
Supply stores and elevators ¹	1	17,893	8,940
Office and other equipment.....	-	13,909	4,485
Transportation department truck and trailer.....	7	17,320	12,345
Transportation department garage and equipment.....	1	<u>2,200</u>	<u>2,015</u>
Total value.....		<u>\$337,217</u>	<u>\$234,338</u>

At the end of the fiscal year, August 31, 1944, Farm Bureau Services, Inc., had 187 employees who can be classified as follows:

- (a) In general administration.....29
- (b) In manufacturing and processing (seed)..... 6
- (c) In wholesale distribution.....40
- (d) In retail distribution.....78
- (e) In contractual service for affiliated
Michigan Farm Bureau.....34

FARMERS COOPERATIVE EXCHANGE, INC.

The Farmers Cooperative Exchange, Inc. (the F.C.X.), with headquarters at Raleigh, North Carolina, was organized on March 12, 1934. It serves approximately 42,000 patrons in North Carolina and South Carolina, of whom almost all are farmers.²

¹Leased to local associations managed by Farm Bureau Services, Inc.

²The F.C.X. is closely related to the North Carolina Cotton Growers Cooperative Association. The boards of directors interlock and the same general manager serves both organizations. The volume of cotton handled by the North Carolina Cotton Growers Cooperative Association was approximately 11 million dollars during the 1943-44 season and its net worth as of June 30, 1944, totaled \$541,154.

The F.C.X. distributes supplies through 34 F.C.X. retail service stores, which are centrally managed, 36 independent cooperative associations, 225 private dealer agencies, and 400 farmer "order takers" for fertilizer.

The wholesale supply sales of the F.C.X. were distributed as follows for the years ending December 31, 1943 and 1944.

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feeds.....	\$4,468,459	\$3,986,659
Fertilizer.....	1,103,988	875,457
Seed and farm supplies.....	1,195,040	1,011,804
Steel products and paint.....	<u>124,180</u>	<u>171,606</u>
Total wholesale supply sales.....	<u>\$6,891,667</u>	<u>\$6,045,526</u>

The value of supplies distributed at retail by F.C.X. managed retail outlets amounted to \$5,370,082 in 1943 and \$5,574,762 in 1944.

The value of farm products marketed by the F.C.X. was as follows for 1943 and 1944.

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Potatoes.....	\$496,342	\$291,639
Seeds.....	214,323	250,000
Eggs, poultry and miscellaneous.....	<u>537,179</u>	<u>809,082</u>
Total sales of farm products.....	<u>\$1,247,844</u>	<u>\$1,350,721</u>

The total net savings of the combined operations of the F.C.X. amounted to \$592,238 in 1943 and \$383,285 in 1944. These savings were distributed in the following way:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$22,469	\$35,523
Cash patronage refunds (by Mecklenburg F.C.X.).....	-	4,596
Patronage refunds in capital stock.....	109,967	112,103
Retained in reserves.....	<u>459,802</u>	<u>231,063</u>
Total net savings.....	<u>\$592,238</u>	¹ <u>\$383,285</u>

The financial condition of the F.C.X. as of December 31, 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,500,725	\$1,701,342
Fixed assets.....	97,645	117,671
Other assets.....	<u>177,768</u>	<u>223,395</u>
Total assets.....	<u>\$1,776,138</u>	<u>\$2,042,408</u>

¹Fiscal year now ends June 30 rather than December 31. The net savings shown are before patronage refund declared for last 6 months of 1944.

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$729,498	\$653,465
Other liabilities.....	-	-
Net worth (capital and reserves).....	<u>1,046,640</u>	<u>1,388,943</u>
Total liabilities and net worth.....	<u>\$1,776,138</u>	<u>\$2,042,408</u>

As of December 31, 1944, 80 percent of the net worth has been retained out of savings. The balance had been accumulated through the sale of stock or from membership fees.

The F.C.X. and Southern States Cooperative, Inc., own Cooperative Feed Mills at Statesville, North Carolina, and manufacture jointly feed and fertilizer through Cooperative Mills at Norfolk and Roanoke, Virginia, and fertilizer through Cooperative Fertilizer Service at Norfolk, Virginia. The F.C.X. investment in these facilities as of December 31, 1944, amounted to \$181,800. The F.C.X. also owns 6 seed-cleaning plants and 34 general delivery trucks.

At the close of the 1944 fiscal year the F.C.X. had 246 employees, 60 engaged in general administration, 170 in retail distribution, and 16 in wholesale distribution.

FARMERS UNION CENTRAL EXCHANGE, INC.

Farmers Union Central Exchange, Inc., with headquarters at St. Paul, Minnesota, was organized in 1931. At the end of its fiscal year, December 31, 1944, it had served 325 member associations with 175,000 patrons, 90 percent of whom were farmers, and 20 nonmember associations with 15,000 patrons, 80 percent of whom were farmers. It operates in North Dakota, South Dakota, Montana, Minnesota, and Wisconsin.

The wholesale supply sales of the F.U.C.E. were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed, seed, flour, and fertilizer.....	\$1,220,111	\$1,151,074
Gas, oil, and grease.....	6,930,381	8,002,607
Tires, tubes, and other accessories.....	831,729	1,052,934
Farm machinery.....	571,464	752,487
Steel products.....	101,355	113,242
Lumber, paint, and other maintenance equipment.	176,690	356,855
Insecticides.....	18,256	21,464
Electrical equipment and appliances.....	136,803	259,393
Twine.....	233,285	157,184
Coal.....	47,040	38,240
Groceries.....	107,085	155,858
Miscellaneous.....	<u>267,631</u>	<u>239,012</u>
Total wholesale supply sales.....	<u>\$10,641,830</u>	<u>\$12,300,350</u>

The total net savings on these sales amounted to \$782,561 in 1943 and \$978,961 in 1944. In addition, savings in the form of stock and stock credits from other cooperatives amounted to \$312,769 in 1944, which made total savings of \$1,291,730 for that year. These savings were distributed in the following manner:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$42,263	\$74,124
Educational fund.....	38,672	48,948
Patronage refunds in capital stock.....	528,603	934,485
Retained in reserves.....	<u>173,023</u>	<u>234,173</u>
Total net savings.....	<u>\$782,561</u>	<u>\$1,291,730</u>

The financial condition of the Farmers Union Central Exchange, Inc., as of December 31, for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,768,733	\$2,451,227
Fixed assets.....	960,109	1,259,870
Other assets.....	<u>648,523</u>	<u>1,056,795</u>
Total assets.....	<u>\$3,377,365</u>	<u>\$4,767,892</u>
Liabilities and net worth:		
Current liabilities.....	\$818,541	\$1,034,422
Net worth (capital and reserves).....	<u>2,558,824</u>	<u>3,733,470</u>
Total liabilities and net worth.....	<u>\$3,377,365</u>	<u>\$4,767,892</u>

As of December 31, 1944, 100 percent of the net worth represented savings retained out of earnings.

The Farmers Union Central Exchange, Inc., owned and operated the following facilities at the close of 1944:

Type	Number of plants or units	Cost value	Depreciated value
Wholesale farm supply warehouses....	6	\$52,849	\$29,234
Oil blending plant.....	1	197,182	140,623
Oil blending equipment.....	-	38,450	16,159
Auto and trucks.....	-	30,533	18,658
Furniture and fixtures.....	-	70,947	42,335
Others.....	-	24,031	14,535
Refinery property.....	1	1,041,833	867,425

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Bulk plant and equipment.....	1	\$13,639	\$12,955
Soybean plant.....	1	107,229	104,669
Total value.....		<u>\$1,576,693</u>	<u>\$1,246,593</u>

In addition to the above, the association held investments of \$1,009,342 in facilities jointly owned with other cooperatives.

As of December 31, 1944, the Farmers Union Central Exchange, Inc., had 328 employees engaged in wholesale distribution.

THE M.F.A. MILLING COMPANY

The M.F.A. Milling Company, with headquarters at Springfield, Missouri, was organized in 1923 and reorganized on its present basis in 1929. At the end of its operating year, June 1944, it was serving 106 local M.F.A. farmers cooperative exchanges with 40,000 farmer members. The M.F.A. Milling Company, the largest wholesale purchasing association affiliated with the Missouri Farmers Association, is owned by the local M.F.A. cooperatives which it serves in south Missouri. The local cooperatives, in turn, are owned by the M.F.A. members which the local cooperatives serve. The M.F.A. Milling Company is organized on the nonstock, non-profit plan and is financed by patrons' equities. Half of the board of directors is named by the local cooperatives it serves, and which constitute its membership, and the other half is named by the State Board of the Missouri Farmers Association. The M.F.A. Milling Company has a service area which comprises the southern two-fifths of Missouri.

The wholesale supply sales of the M.F.A. Milling Company were distributed as follows during the year ending June 30 for 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$9,050,989	\$10,978,421
Seed.....	259,450	296,040
Wire.....	80,673	104,524
Twine.....	30,288	28,836
Total wholesale sales.....	<u>\$9,421,400</u>	<u>\$11,407,821</u>

The total net savings amounted to \$532,712 in 1943 and \$483,246 in 1944.

The financial condition of the M.F.A. Milling Company as of June 30, 1944, was as follows:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$873,944	\$1,409,027
Fixed assets.....	212,687	357,374
Other assets.....	15,307	50,150
Total assets.....	<u>\$1,101,938</u>	<u>\$1,816,551</u>

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$5,964	\$509,762
Other liabilities.....	8,029	8,187
Net worth.....	<u>1,087,945</u>	<u>1,298,602</u>
Total liabilities and net worth.....	<u>\$1,101,938</u>	<u>\$1,816,551</u>

All of the net worth on June 30, 1944, represented savings which have been retained under a revolving fund plan of financing.

As of June 30, 1944, the operating facilities of the M.F.A. Milling Company consisted of the following:

<u>Type</u>	<u>Cost value</u>	<u>Depreciated value</u>
Mill buildings, machinery, and equipment ¹	\$510,875	\$327,228
Trucks, semi-trailers, and service costs.....	<u>14,498</u>	<u>1,246</u>
Totals.....	<u>\$525,373</u>	<u>\$328,474</u>

The M.F.A. Milling Company, as of June 1944, had 230 employees of whom 200 were employed at Springfield and 30 at Aurora. Of the total 230 employees employed at the Springfield and Aurora plants, 18 were classified as being in general administration, 4 in sales and service, and 208 in manufacturing and processing.

MIDLAND COOPERATIVE WHOLESALE

The Midland Cooperative Wholesale, with headquarters at Minneapolis, Minnesota, was organized on September 8, 1926. At the end of its operating year, December 31, 1944, it was serving 280 member associations with 210,000 patrons, 92 percent of whom were farmers, and 155 nonmember associations with 115,000 patrons, 90 percent of whom were farmers. The association operates throughout all Minnesota except the northeastern quarter, all of Wisconsin except the extreme north and northwest, northern Iowa, and the extreme eastern part of the Dakotas.

The wholesale supply sales of the Midland Cooperative Wholesale were distributed during 1943 and 1944 in the following way:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed, flour, and middlings.....	\$568,344	\$722,668
Fertilizer.....	221,322	264,415
Seed.....	222,611	269,886
Gas, oil, and grease.....	5,890,440	6,337,440
Tires, tubes, and accessories.....	401,631	512,254
Farm machinery.....	2,573	54,525

¹In 1943 a subterminal elevator was purchased. Production capacity of manufactured feeds is now 240,000 tons a year.

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Equipment.....	\$32,070	\$58,753
Steel products.....*	97,440	153,450
Lumber, paint, etc.....	115,205	116,360
Insecticides.....	21,273	28,818
Electrical equipment.....	354,145	673,832
Twine.....	44,242	-
Coal.....	54,207	68,912
Groceries.....	590,152	736,738
Hardware.....	153,217	162,277
Miscellaneous.....	<u>16,418</u>	<u>16,135</u>
 Total wholesale supply sales.....	 <u>\$8,785,290</u>	 <u>\$10,176,463</u>

The total net savings on these sales amounted to \$338,391 in 1943 and \$817,175 in 1944. These savings were distributed in the following manner:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$17,553	\$26,883
Patronage refunds in capital stock.....	273,353	706,545
Retained in allocated surplus.....	34,538	83,747
Retained in general surplus.....	<u>12,947</u>	<u>-</u>
 Total net savings after all income taxes, Federal and State.....	 <u>\$338,391</u>	 <u>\$817,175</u>

The financial condition of the Midland Cooperative Wholesale as of December 31, for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,447,379	\$1,849,689
Fixed assets.....	764,784	956,804
Other assets.....	<u>474,869</u>	<u>832,535</u>
 Total assets.....	 <u>\$2,687,032</u>	 <u>\$3,639,028</u>
 Liabilities and net worth:		
Current liabilities.....	\$638,088	\$740,549
Other liabilities.....	751,884	816,513
Net worth (capital and reserves).....	<u>1,297,060</u>	<u>2,081,966</u>
 Total liabilities and net worth.....	 <u>\$2,687,032</u>	 <u>\$3,639,028</u>

Of the net worth, 84.5 percent represented savings retained out of earnings and 15.5 percent was accumulated through the sale of stock.

As of December 31, 1944, the Midland Cooperative Wholesale owned and operated the following principal facilities:

<u>Type</u>	<u>Number of plants or units</u>	<u>Cost value</u>	<u>Depreciated value</u>
Refinery (complete).....	1	\$720,963	\$606,554
Oil blending plants and bulk petroleum plants and warehouses...	3	355,267	269,523
Transport trucks and trailers.....	9	36,875	11,596
Feed mill.....	1	49,055	46,108
Other properties.....	-	<u>23,383</u>	<u>23,023</u>
Total operating facilities.....		<u>\$1,185,543</u>	<u>\$956,804</u>

Investments by Midland in other production and operating facilities jointly with other cooperatives:

<u>Type</u>	<u>Amount invested</u>
Fertilizer plant.....	\$109,800
Shingle mill and timber	21,000
Refinery and pipe line.....	477,323
Farm machinery factories.....	35,064
Soybean mill.....	5,000
National Cooperatives, Inc. (including milking machine and chemical factories).....	<u>117,227</u>
Total.....	<u>\$765,414</u>

At the close of the 1944 operating season, the Midland Cooperative Wholesale had 200 employees engaged in general administration and wholesale distribution, and 115 in production.

PENNSYLVANIA FARM BUREAU CO-OPERATIVE ASSOCIATION

The Pennsylvania Farm Bureau Co-operative Association, with headquarters at Harrisburg, Pennsylvania, was organized in 1934. At the close of 1944, it was serving 23 member associations with 50,000 patrons, of which 90 percent were farmers. Its service area comprises 53 counties in the State of Pennsylvania.

The wholesale supply sales of the Pennsylvania Farm Bureau Co-operative Association were distributed as follows for the years ending December 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$3,768,249	\$3,780,896
Fertilizer.....	747,294	819,127

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Seed.....	\$536,040	\$868,021
Gas, oil, and grease.....	1,934,223	2,248,121
Tires, tubes, and other accessories.....	26,760	80,335
Farm machinery.....	(127,649)	684
Farm equipment.....	()	159,813
Steel products.....	45,854	68,017
Lumber, paint, and other maintenance equipment...	91,578	80,642
Insecticides.....	136,515	113,302
Electrical equipment and appliances.....	1,049	12,361
Twine.....	111,116	47,822
Miscellaneous.....	<u>57,824</u>	<u>39,311</u>
 Total wholesale supply sales.....	 <u>\$7,584,151</u>	 <u>\$8,318,452</u>

The net savings on these sales amounted to \$352,633 in 1943 and \$337,573 in 1944. The distribution of the savings was as follows:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$23,460	\$34,165
Patronage refunds in capital stock.....	187,064	209,834
Retained in reserves.....	<u>142,109</u>	<u>93,574</u>
 Total net savings.....	 <u>\$352,633</u>	 <u>\$337,573</u>

The financial condition of the Pennsylvania Farm Bureau Co-operative Association, as of December 31, for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$899,804	\$928,849
Fixed assets.....	291,146	347,015
Other assets.....	<u>329,276</u>	<u>446,277</u>
 Total assets.....	 <u>\$1,520,226</u>	 <u>\$1,722,141</u>
Liabilities and net worth:		
Current liabilities.....	\$387,135	\$146,343
Other liabilities.....	86,726	76,000
Net worth (capital and reserves).....	<u>1,046,365</u>	<u>1,499,798</u>
 Total liabilities and net worth.....	 <u>\$1,520,226</u>	 <u>\$1,722,141</u>

As of December 31, 1944, 25 percent of the net worth had been accumulated through the sale of stock, while 75 percent had been retained out of savings.

The principal operating facilities of the Pennsylvania Farm Bureau Co-operative Association consist of the following:

<u>Type</u>	<u>Number of plants or units</u>	<u>Depreciated value</u>
Feed mill.....	1	\$89,606
Seed cleaning plant.....	1	88,855
Wholesale farm supply warehouse.....	3	47,770
Office building.....	1	58,077
Transport trucks.....	8	31,030
Dust plant.....	1	<u>11,461</u>
Total value of facilities.....		<u>\$326,799</u>

In addition to the above, the association held investments of \$304,300 in facilities jointly owned with other cooperative associations.

At the close of 1944 the association had 130 employees. Of these 73 were engaged in general administration, 36 in manufacturing and processing, and 21 in wholesale distribution.

PACIFIC SUPPLY COOPERATIVE

The Pacific Supply Cooperative, with headquarters at Walla Walla, Washington, was organized December 19, 1933. At the close of its operating year, December 31, 1944, it was serving 99 member cooperative associations in Oregon, Washington, Idaho, and northwest Wyoming, with 60,000 patrons, 95 percent of whom were farmers. It also served 45 non-member associations with 8,000 patrons, of whom 50 percent were farmers.

The wholesale supply sales of the Pacific Supply Cooperative were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Fertilizer.....	\$77,973	\$281,984
Feed ¹	-	1,969,433
Seed.....	239,519	617,487
Gas, oil, grease, and fuel oil.....	2,643,363	2,958,192
Tires, tubes, and other accessories.....	195,546	175,496
Farm machinery and parts.....	2,145	21,775
Steel products.....	97,401	147,122
Lumber, paint, and other maintenance equipment...	90,000	117,602
Insecticides.....	165,227	244,570
Electrical equipment and appliances.....	14,278	23,310
Twine.....	70,464	19,781
Coal.....	3,904	29,645
Hardware.....	225,588	295,374
Transport income.....	123,578	155,331
Miscellaneous.....	<u>41,648</u>	<u>33,481</u>
Total wholesale supply sales ²	<u>\$3,990,634</u>	<u>\$7,090,583</u>

¹Feed mill purchased early in 1944.

²Includes a small volume of retail sales.

The total net savings amounted to \$353,097 in 1943 and \$413,332 in 1944. The distribution of these savings was made in the following manner:

	<u>1943</u>	<u>1944</u>
Patronage refunds in certificates of indebtedness.....	\$281,278	\$282,882
Retained in reserves.....	70,319	130,100
Other.....	<u>1,500</u>	<u>350</u>
Total net savings.....	<u>\$353,097</u>	<u>\$413,332</u>

The financial condition of the Pacific Supply Cooperative as of December 31, for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$1,055,024	\$1,480,247
Facilities and investments.....	319,225	519,508
Other assets.....	<u>77,016</u>	<u>46,171</u>
Total assets.....	<u>\$1,451,265</u>	<u>\$2,045,926</u>
Liabilities and net worth:		
Current liabilities.....	\$145,744	\$415,760
Other liabilities.....	585	501
Net worth (capital and reserves).....	<u>1,304,936</u>	<u>1,629,665</u>
Total liabilities and net worth.....	<u>\$1,451,265</u>	<u>\$2,045,926</u>

Practically all of the net worth, as shown on December 31, 1944, represented savings retained out of earnings.

As of December 31, 1944, the Pacific Supply Cooperative owned and operated these principal facilities:

	Number of plants or units	Cost value	Depreciated value
Wholesale farm supply warehouses....	4	\$65,663	\$52,007
Seed and feed plants.....	3	76,121	71,567
Chemical plants.....	1	5,630	4,985
Transport trucks.....	6	<u>63,419</u>	<u>21,412</u>
Total value.....		<u>\$210,833</u>	<u>\$149,971</u>

In addition to the above, the association held investments of \$137,001 in facilities jointly owned with other cooperative associations.

At the close of 1944, the Pacific Supply Cooperative had 109 employees, 30 of whom were engaged in general administration, and 79 in wholesale distribution.

CENTRAL CO-OPERATIVE WHOLESALE

The Central Co-operative Wholesale (C.C.W.), with headquarters at Superior, Wisconsin, was organized on September 15, 1917. At the close of its operating year, December 31, 1944, it was serving 140 member and 38 nonmember cooperative associations in northern Michigan, northern Wisconsin, northern Minnesota, and eastern North Dakota. These cooperative outlets served 75,000 patrons, 75-80 percent of whom were farmers.

The wholesale supply sales of the C.C.W. were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$1,969,825	\$2,054,816
Seed.....	59,668	72,181
Gas, oil, and grease.....	392,050	474,695
Tires, tubes, and other accessories.....	108,577	157,441
Steel products.....	55,915	60,343
Lumber, paints, and other maintenance equipment..	191,619	260,447
Insecticides.....	16,189	8,735
Electrical equipment and appliances.....	28,315	45,639
Farm machinery, parts, and miscellaneous hardware.	280,294	397,326
Twine.....	15,040	14,990
Coal.....	111,176	101,380
Groceries.....	1,434,593	1,479,389
Fresh fruits and vegetables.....	-	166,779
Bakery products.....	189,622	204,305
Coffee.....	87,268	134,611
Clothing.....	<u>418,474</u>	<u>499,667</u>
Total wholesale sales.....	<u>\$5,358,625</u>	<u>\$6,132,744</u>

The total net savings on these sales amounted to \$166,903 in 1943 and \$136,047 in 1944. These savings were distributed as follows:

	<u>1943</u>	<u>1944</u>
Cash patronage refunds.....	\$12,638	-
Patronage refunds paid in capital stock shares.....	137,192	\$114,972
Percent interest on capital stock.....	<u>17,073</u>	<u>21,075</u>
Total net savings.....	<u>\$166,903</u>	<u>\$136,047</u>

The financial condition of the C.C.W. on December 31 for 1943 and 1944 is shown in the following statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$621,470	\$693,688
Fixed assets.....	243,016	248,390
Other assets.....	<u>205,681</u>	<u>260,067</u>
Total assets.....	<u>\$1,070,167</u>	<u>\$1,202,145</u>

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$254,863	\$277,312
Net worth (capital and reserves).....	<u>815,304</u>	<u>924,833</u>
Total liabilities and net worth.....	<u>\$1,070,167</u>	<u>\$1,202,145</u>

Of the net worth, 97 percent represented retained savings, while 3 percent was accumulated through the sale of stock.

As of December 31, 1944, the principal operating facilities owned and operated by the C.C.W. consisted of the following:

<u>Type</u>	<u>Cost value</u>	<u>Depreciated value</u>
Feed mills.....	\$94,700	\$60,455
Coffee roastery.....	13,904	13,903
General delivery trucks.....	59,935	27,946
Office and warehouse buildings.....	170,076	126,555
Office and printing building.....	28,504	9,165
Bakery plant.....	<u>62,754</u>	<u>23,366</u>
Total.....	<u>\$429,873</u>	<u>\$261,390</u>

At the close of 1944 the C.C.W. had 152 employees, 11 of whom were engaged in general administration, 51 in manufacturing and processing, and 90 in wholesale distribution.

FARMERS UNION STATE EXCHANGE

The Farmers Union State Exchange, with headquarters at Omaha, Nebraska, was organized in 1914. At the end of its operating year, December 31, 1944, it was serving 360 member associations with 45,000 patrons, of whom 98 percent were farmers. Through 10 private dealers it also reached 1,000 patrons, of whom 98 percent were farmers. The Exchange operates in the State of Nebraska and nearby territory in Wyoming and Iowa.

The wholesale supply sales of the Farmers Union State Exchange were distributed during 1943 and 1944 as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$115,711	\$94,841
Seed.....	28,066	23,133
Gas, oil, and grease.....	1,321,786	1,466,323
Tires, tubes, and other accessories.....	26,191	37,610
Farm equipment and hardware.....	172,246	182,886
Steel products.....	79,231	86,587
Paint.....	29,779	30,113
Twine.....	86,940	15,212

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Coal.....	\$65,616	\$75,829
Groceries.....	153,046	155,156
Clothing.....	56,546	66,606
Produce.....	157,159	182,495
Stationery.....	5,298	4,845
Miscellaneous.....	39,191	49,891
Truck income.....	<u>72,892</u>	<u>80,926</u>
Total wholesale supply sales.....	<u>\$2,409,698</u>	<u>\$2,552,453</u>

The Farmers Union State Exchange also had retail sales of \$1,165,592 in 1943 and \$1,112,785 in 1944.

The total net savings from all operations amounted to \$148,713 in 1943 and \$201,980 in 1944. The distribution of these savings was as follows:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$12,972	\$13,614
Cash patronage refunds.....	64,249	57,604
Patronage refunds in capital stock.....	26,035	48,232
Patronage refunds allocated.....	26,035	63,358
Retained in reserves.....	<u>19,422</u>	<u>19,172</u>
Total net savings.....	<u>\$148,713</u>	<u>\$201,980</u>

The financial condition of the Farmers Union State Exchange as of December 31 for 1943 and 1944, is shown in the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$301,778	\$388,506
Fixed assets.....	158,901	155,793
Other assets.....	<u>272,477</u>	<u>304,603</u>
Total assets.....	<u>\$733,156</u>	<u>\$848,902</u>
Liabilities and net worth:		
Current liabilities.....	\$29,697	\$26,517
Other liabilities.....	150,439	185,904
Net worth (capital and reserves).....	<u>553,020</u>	<u>636,481</u>
Total liabilities and net worth.....	<u>\$733,156</u>	<u>\$848,902</u>

As of December 31, 1944, 50 percent of the net worth had been accumulated through the sale of stock, while 50 percent represented savings retained out of earnings.

The facilities owned and operated by the Exchange as of December 31, 1944, consisted of a feed mixing plant, a seed-cleaning plant, a wholesale farm supply warehouse, 8 retail farm supply stores, 4 bulk petroleum plants, an office building, 10 transport trucks, 2 general delivery trucks, and a produce plant. The Exchange also holds a joint interest with other regional cooperatives in a petroleum refinery and pipe line.

At the close of 1944, the Exchange had 160 employees, of whom 46 were engaged in wholesale distribution and 114 in retail distribution.

CONSUMERS COOPERATIVES ASSOCIATED

Consumers Cooperatives Associated, with headquarters at Amarillo, was organized in 1930. At the end of its operating year, December 31, 1944, it was serving 125 member associations with approximately 30,000 patrons, 98 percent of whom were farmers. The association operates throughout all of Texas, New Mexico, the southern part of Colorado, and the western part of Oklahoma.

The wholesale supply sales of the association were as follows:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Gas, oil, and grease.....	\$1,646,279	\$1,815,758
Tires, tubes, and auto accessories.....	269,256	285,563
Feed, salt, and grain.....	47,283	237,598
Electrical equipment and farm and home supplies..	166,971	226,483
Machinery and equipment.....	-	25,152
Miscellaneous.....	4,417	3,673
Total.....	<u>\$2,134,206</u>	<u>\$2,594,227</u>

The total net savings on these sales amounted to \$63,830 in 1943 and \$76,234 in 1944. These savings were distributed in the following manner:

	<u>1943</u>	<u>1944</u>
Cash dividends on stock.....	\$2,590	\$4,439
Patronage refunds paid in cash.....	7,624	6,146
Patronage refunds in capital stock.....	53,616	65,649
Total.....	<u>\$63,830</u>	<u>\$76,234</u>

The financial condition of Consumers Cooperatives Associated as of December 31, 1943 and 1944, is shown by the following condensed financial statement:

	<u>1943</u>	<u>1944</u>
Assets:		
Current assets.....	\$190,900	\$311,209
Fixed assets.....	88,286	126,966
Other assets.....	29,956	60,124
Total.....	<u>\$309,142</u>	<u>\$498,299</u>

	<u>1943</u>	<u>1944</u>
Liabilities and net worth:		
Current liabilities.....	\$48,833	\$166,870
Other liabilities.....	69,249	55,158
Net worth.....	<u>191,060</u>	<u>276,271</u>
Total.....	<u>\$309,142</u>	<u>\$498,299</u>

The association has two branch warehouses located at Dallas and Edroy, Texas. A modern grain drying plant and feed mill are operated in connection with the Edroy warehouse.

On December 31, 1944, the association had 35 employees.

PART II

COMBINED INFORMATION FOR 18 MAJOR REGIONAL FARM SUPPLY PURCHASING COOPERATIVES FOR FISCAL YEARS ENDING IN 1943 AND IN 1944

In this section the information presented in Part I for the individual associations is combined and analyzed to show the general character and significance of these 18 major regional farm supply purchasing associations.

AGE OF ORGANIZATIONS

The 18 regional farm supply purchasing cooperatives described in Part I were organized in the following years:

<u>Year</u>	<u>Number of associations organized during specified year</u>
1907	1
1914	1
1917	1
1918	1
1920	1
1923	2
1926	1
1927	2
1929	2
1930	1
1931	1
1933	2
1934	2

Only 5 of these associations were in existence by 1920. By 1930 there were 13. The remaining 5 were established early in the 1930's. The average age for the 18 associations is now 19 years.

AREA OF SERVICE

The statements for the 18 regional associations in Part I show that they render service generally throughout the United States except for a large part of the South. While there are several regional purchasing associations serving in the South and the Southwest, with the exception of Southern States Cooperative which serves Virginia as well as several border States, only two others, the Farmers Cooperative Exchange, Raleigh, North Carolina, and the Consumers Cooperatives, Associated, Amarillo, Texas; had a wholesale supply volume in 1944 in excess of 2 1/2 million dollars a year.¹ It should be clearly understood that a number of other regional purchasing associations also operate in the area served by the 18 regional purchasing associations.

TYPE OF RETAIL OUTLET

The 18 major regional farm supply purchasing cooperatives distributed supplies through some 6,969 retail outlets in 1943 and 7,039 in 1944, which can be classified as follows:

	<u>1943</u>	<u>1944</u>
Local cooperative "member" associations.....	2,696	2,887
Local cooperative "nonmember" associations.....	893	694
Affiliated cooperative service associations.....	411	421
Private service agencies.....	1,440	1,528
Farmer-representatives.....	1,529	1,509

The local cooperative associations listed above are autonomous organizations. The "member" associations hold membership interests in the regional associations while the "nonmember" associations are simply served by the regional associations. The affiliated cooperative service associations can be described as associations or branch outlets which are under the direct management of regional associations. Private service agencies are simply private concerns which render distribution service for the regional cooperative associations under agreed upon plans. Similarly, the farmer-representatives are farmers who serve as distribution agents for the regional associations. As noted above, the number of such representatives reported declined from 1,529 for 1943 to 1,509 for 1944. Of more significance, the number of local member associations increased by 191 while the number of nonmember associations declined by 199. For more complete information on the character of local service outlets the reader is referred to the individual reports given in Part I.

NUMBER OF PATRONS SERVED

The 18 regional associations estimated that their various local outlets at the end of their fiscal years ending in 1944 were together serving 1,903,116 farmer patrons and 151,186 nonfarmer patrons, or a total of

¹The two next largest regional farm supply purchasing associations in this area are the Mississippi Federated Cooperatives of Jackson, Mississippi, and the Southwest Cooperative Wholesale, Phoenix, Arizona.

2,054,302 patrons.¹ Thus, 92.6 percent of the total patrons were farmers, while 7.4 percent were nonfarmers. On the basis of the information furnished by the regional associations it is estimated that farmer patrons purchased over 95 percent of the volume of supplies distributed through the local outlets of the 18 regional associations.

NUMBER AND TYPE OF EMPLOYEES

According to the data in Part I, the 18 regional associations, at the end of the 1944 fiscal year, employed a total of some 12,018 persons. Of these, 15 percent were engaged in general administration while 62 percent were engaged in manufacturing, processing, and wholesale distribution. The remaining 23 percent were employed in retail supply distribution or in agricultural marketing work.

VOLUME OF BUSINESS

For the 18 regional associations combined, the value of supplies sold at wholesale and retail, plus the value of farm products marketed, amounted to \$469,885,251 for the fiscal years ending in 1944, while the comparable volume for the same periods ending in 1943 was \$368,044,740. The outstanding position in sales volume of the Cooperative Grange League Federation Exchange, Inc., is clearly indicated in table 1. Thirteen of the 18 associations each had volumes of more than 10 million dollars per association. The combined purchasing and marketing sales of these 13 associations for their 1944 fiscal years amounted to \$442,084,007.

TYPE OF SUPPLIES HANDLED

The relative significance of the various supplies distributed at wholesale² by the 18 regional associations for their fiscal years ending in 1944 is shown in tables 2 and 3. It will be noted in table 3 that feed predominated in the sales volume of 9 of the associations while petroleum products and related supplies predominated in the sales volume of 8 of the associations. It is also significant that packaging material represented the bulk of the sales volume of the Fruit Growers Supply Company which renders a cooperative purchasing service for the citrus growers of Southern California. For the 18 associations combined, feed represented 54.8 percent of the wholesale sales volume, petroleum products and auto accessories 18.6 percent, and fertilizer and insecticides 8 percent.

Table 4 shows the relative significance of the various supplies distributed at wholesale by the 18 regional associations when all sales are combined for their fiscal years ending in 1943 and in 1944. It is of interest that feed volume increased by \$39,031,779, or 25.7 percent. Steel products increased \$2,253,828, or 84 percent; farm machinery and equipment by \$1,929,423, or 59.1 percent; electrical equipment by \$674,984, or 58.1 percent. Moreover, substantial gains were shown by package materials, 43.4 percent; seed, 30.2 percent; groceries, 29.8 percent. On the other hand, twine was the only item that declined in volume. It showed a decrease of 51.8 percent.

¹On the basis of other studies made by the Cooperative Research and Service Division, it is believed that this total considerably overstates the number of actual patrons.

²The volume of the Eastern States Farmers' Exchange is broken down on the basis of purchases by individual patrons since the Exchange integrates all wholesale and retail functions performed incident to final sales.

Table 1. - Volume of sales and value of farm products marketed for 18 major cooperative purchasing associations for fiscal years ended, 1943 and 1944

Association	Year ended	Wholesale supply sales		Retail sales		Farm products marketed		Total	
		1943	1944	1943	1944	1943	1944	1943	1944
		Cooperative Grange League Federation Exchange, Inc. Southern States	June 30	\$75,851,488 ^{ab}	\$99,991,584 ^b	\$50,753,637	\$68,582,739	\$12,018,987	\$14,759,261
Cooperative, Inc. Eastern States Farmers' Exchange ^c	June 30	28,524,939	41,214,627	9,974,875	14,025,814	2,005,690	2,572,349	40,505,504	57,812,790
(Ohio) Farm Bureau Cooperative Association, Inc. Fruit Growers Supply Company	Dec. 31	46,897,732	53,351,312	-	-	-	-	46,897,732	53,351,312
Illinois Farm Supply Company	Dec. 31	12,359,434	15,850,658	-	-	6,974,128	5,894,052	19,333,562	21,744,710
Consumers Cooperative Association	Dec. 31	12,429,918	16,942,393	-	-	-	-	12,429,918	16,942,393
Indiana Farm Bureau Cooperative Association, Inc. Farm Bureau Services, Inc.	Aug. 31	15,667,628	16,632,391	-	-	-	-	15,667,628	16,632,391
Farm Cooperative Exchange, Inc.	Aug. 31	10,019,506	15,550,606	479,610	305,591	-	-	10,499,116	15,856,197
Farmers Union Central Exchange, Inc.	Dec. 31	12,653,221	15,726,824	-	-	-	-	12,653,221	15,726,824
The M.F.A. Milling Company	Aug. 31	4,757,493	6,208,711	1,423,942	6,937,788	251,495	681,684	6,432,930	13,828,163
Midland Cooperative Wholesale	Dec. 31	6,891,667	6,045,526	5,370,082	5,574,762	1,247,844	1,350,721	13,509,593	12,971,009
Pennsylvania Farm Bureau Co-operative Association Pacific Supply	Dec. 31	10,641,830	12,300,350	-	-	-	-	10,641,830	12,300,350
Cooperative Central Co-operative Wholesale	June 30	9,421,400	11,407,821	-	-	-	-	9,421,400	11,407,821
Farmers Union State Exchange	Dec. 31	^a 8,785,890	10,176,463	-	-	-	-	8,785,290	10,176,463
Consumers Cooperative Association	Dec. 31	7,584,151	8,318,452	-	-	-	-	7,584,151	8,318,452
Associated	Dec. 31	3,990,634	7,090,583	-	-	-	-	3,990,634	7,090,583
	Dec. 31	5,358,625	6,132,744	-	-	-	-	5,358,625	6,132,744
	Dec. 31	2,409,698	2,552,453	1,165,592	1,112,785	-	-	3,575,290	3,665,238
	Dec. 31	2,134,206	2,594,227	-	-	-	-	2,134,206	2,594,227
Total		\$276,378,858	\$348,087,725	\$69,167,738	\$96,539,459	\$22,498,144	\$25,258,067	\$368,044,740	\$469,885,251

^aRevised figures.

^bIncludes a small amount of intercompany sales: \$148,501 in 1943 and \$209,794 in 1944.

^cIncludes volume of Eastern States Farmers' Exchange reported as direct sales to individual purchasers. The Exchange performs all distributive functions prior to final sale to patrons.

Table 2. - Wholesale supply sales of 18 major cooperative purchasing associations for fiscal year ended 1944

Association	Feed	Seed	Fertilizer, insecticides	Petroleum products and auto accessories	Farm machinery and equipment, lumber, paint, packaging material, electrical equipment, steel products	Coal and twine	Groceries	Miscellaneous	Total
Cooperative Grange League	\$77,483,318	\$3,570,469	\$6,611,156	\$6,526,735	\$4,259,369	\$126,813	\$822,163	\$591,561	\$99,991,584 ^a
Federation Exch., Inc.	47,724,367	2,315,101	2,812,443	-	499,401	-	-	-	53,351,312
Eastern States Farmers' Exchange ^b	25,035,261	2,619,249	5,922,237	1,311,354	-	-	-	6,326,526	41,214,627
Southern States Cooperative, Inc.	-	-	3,263,579	47,108	13,513,140	-	-	118,566	16,942,393
Fruit Growers Supply Co.	2,778,771	-	222,769	10,591,107	632,271	18,698	-	2,388,775	16,632,391
Illinois Farm Supply Co.	7,053,889	1,103,952	2,635,618	2,349,539	1,816,012	328,552	-	563,096	15,850,658
(Ohio) Farm Bureau Cooperative Assn., Inc.	2,554,016	674,879	2,499,826	4,696,965	3,975,073	857,271	-	468,794	15,726,824
Indiana Farm Bureau Cooperative Assn., Inc.	788,178	-	16,730	12,659,845	1,070,422	94,363	853,874	67,194	15,550,606
Consumers Cooperative Association	^c 1,151,074	296,040	21,464	9,055,541	1,481,977	195,424	155,858	239,012	12,300,350
Farmers Union Central Exchange, Inc.	10,978,421	-	-	-	104,524	28,836	-	-	11,407,821
The M.F.A. Milling Co.	722,668	269,886	293,233	6,849,694	1,219,197	68,912	736,738	16,135	10,176,463
Midland Cooperative Wholesale	3,780,896	868,021	932,429	2,328,456	321,517	47,822	-	39,311	8,318,452
Pennsylvania Farm Bureau Co-operative Assn.	1,969,433	617,487	526,554	3,133,688	605,183	49,426	-	188,812	7,090,583
Pacific Supply Coop.	2,292,257	742,544	1,061,260	876,246	1,056,511	179,893	-	-	6,208,711
Farm Bureau Services, Inc. Central Co-operative Wholesale	2,054,816	72,181	8,735	632,136	763,755	116,370	1,985,084	499,667	6,132,744
Farmers Cooperative Exchange, Inc.	3,986,659	^d 1,011,804	875,457	-	171,606	-	-	-	6,045,526
Farmers Union State Exch. Consumers Cooperative	94,841	23,133	-	1,503,933	299,586	91,041	155,156	384,763	2,552,453
Consumers Cooperative Associated	237,598	-	-	2,101,321	251,635	-	-	3,673	2,594,227
Total	\$190,686,463	\$14,184,746	\$27,703,490	\$64,663,668	\$32,041,179	\$2,203,421	\$4,708,873	\$11,895,885	\$348,087,725

^aIncludes a small amount of intercompany sales - \$209,794.

^bSales of Eastern States Farmers' Exchange were reported as purchases by individual patrons. The Exchange integrates all wholesale and retail functions performed incident to final sales.

^cIncludes seed, flour, and fertilizer.

^dIncludes some farm supplies.

Table 3. - Percentage breakdown by commodity of wholesale supply sales of 18 major cooperative purchasing associations for fiscal year ended 1944

Association	Feed	Seed	Ferti- lizer, insec- ticides	Petro- leum products and auto acces- sories	Farm machinery and equipment, lumber, paint, packaging material, electrical equipment, steel products	Coal and twine	Gro- ceries	Miscel- laneous	Total
Cooperative Grange League	77.5	3.6	6.6	6.5	4.3	0.1	0.8	0.6	100.0
Federation Exchange, Inc.	89.5	4.3	5.3	-	.9	-	-	-	100.0
Eastern States Farmers' Exchange ^b	60.7	6.4	14.4	3.2	-	-	-	15.3	100.0
Southern States Cooperative, Inc.	16.7	-	19.2	.3	79.8	-	-	.7	100.0
Fruit Growers Supply Company	44.5	7.0	1.3	63.7	3.8	.1	-	14.4	100.0
Illinois Farm Supply Company	16.2	4.3	16.6	14.8	11.4	2.1	-	3.6	100.0
(Ohio) Farm Bureau Cooperative Association, Inc.	5.1	-	15.9	29.9	25.3	5.4	-	3.0	100.0
Indiana Farm Bureau Cooperative Association, Inc.	9.4	-	.1	81.4	6.9	.6	5.5	.4	100.0
Consumers Cooperative Association	96.2	2.6	.2	73.6	12.0	1.6	1.3	1.9	100.0
Farmers Union Central Exchange, Inc.	7.1	2.6	-	-	.9	.3	-	-	100.0
The M.F.A. Milling Company	45.5	10.4	2.9	67.3	12.0	.7	7.2	.2	100.0
Midland Cooperative Wholesale	27.8	8.7	11.2	28.0	3.8	.6	-	.5	100.0
Pennsylvania Farm Bureau Cooperative Association	36.9	12.0	7.4	44.2	8.5	.7	-	2.7	100.0
Cooperative Association	33.5	1.2	17.1	14.1	17.0	2.9	-	-	100.0
Pacific Supply Cooperative	66.0	16.7	.1	10.3	12.4	1.9	32.4	8.2	100.0
Farm Bureau Service, Inc.	3.7	14.5	14.5	-	2.8	-	-	-	100.0
Central Co-operative Wholesale Farmers Cooperative Exchange, Inc.	9.2	-	-	58.9	11.7	3.6	6.1	15.1	100.0
Exchange, Inc.	54.8	4.1	8.0	18.6	9.7	-	-	.1	100.0
Farmers Union State Exchange									
Consumers Cooperative Associated									
Total	54.8	4.1	8.0	18.6	9.2	0.6	1.3	3.4	100.0

^aIncludes a small amount of intercompany sales - (0.2 percent)

^bSales of Eastern States Farmers' Exchange were reported as purchases by individual patrons. The Exchange integrates all wholesale and retail functions performed incident to final sales.

^cIncludes seed, flour, and fertilizer.

^dIncludes some farm supplies.

Table 4. - Combined wholesale supply sales of 18 major cooperative purchasing associations for fiscal years ended 1943 and 1944

Commodity	1943	1944	Percentage increase or decrease
Feed.....	\$151,654,684	\$190,686,463	+25.7
Gas, oil, and grease.....	52,221,968	60,876,004	+16.6
Fertilizer.....	19,871,305	23,967,590	+20.6
Package material, drums, containers.....	10,144,183	14,552,519	+43.4
Seed.....	10,892,809	14,184,746	+30.2
Lumber, paint, and maintenance equipment...	4,560,275	5,520,270	+21.0
Farm machinery and equipment.....	3,265,565	5,194,988	+59.1
Steel products.....	2,682,130	4,935,958	+84.0
Groceries.....	3,628,730	4,708,873	+29.8
Tires, tubes, and auto accessories.....	3,066,051	3,787,664	+23.5
Insecticides.....	3,605,980	3,735,900	+3.6
Electrical equipment.....	1,162,460	1,837,444	+58.1
Coal.....	1,242,218	1,559,892	+25.6
Twine.....	1,333,975	643,529	-51.8
Miscellaneous ^a	7,046,525	11,895,885	+67.4
Total wholesale supply sales.....	^b \$276,378,858	^c \$348,087,725	+25.9

^aIncludes a small amount of a few of the itemized commodities that had been shown as miscellaneous by some of the associations.

^bIncludes \$149,501 intercompany sales.

^cIncludes \$209,794 intercompany sales.

DISTRIBUTION OF SAVINGS

The amount and distribution of combined savings for the 18 associations for their fiscal years ending in 1943 and 1944 are shown in table 5. Total savings increased from \$17,741,654 in 1943 to \$23,305,999 in 1944, or 31.4 percent. It is significant that the amount of savings returned to patrons in cash patronage refunds increased by 103.5 percent while the amount of savings returned as patronage refunds in the form of capital stock and certificates of equity declined by 2.3 percent.¹ As a group, these regional associations increased their reserves over the preceding year by only 6.7 percent.

Table 5. - Distribution of combined net savings of 18 major cooperative purchasing associations for fiscal years, 1943 and 1944

Item	1943	1944	Percentage increase or decrease
Cash patronage refunds.....	\$4,868,396	\$9,909,221	+103.5
Patronage refunds in capital stock and certificates of equity.....	7,266,818	7,101,185	-2.3
Cash dividends on stock.....	657,148	1,014,809	+54.4
Retained in reserves.....	4,949,292	5,280,784	+6.7
Total.....	\$17,741,654	\$23,305,999	+31.4

¹These changes were due primarily to the larger dividends paid in cash by G.L.F. in 1944.

FINANCIAL CONDITION

The financial condition of the 18 associations as a group at the close of their fiscal years in 1943 and 1944 are given in table 6.

It is of interest that the combined total assets increased from \$75,990,696 in 1943 to \$100,113,290 in 1944, or 31.7 percent, while the net worth increased from \$49,501,000 to \$64,828,278, or 31 percent. At the end of their 1944 fiscal years the 18 associations combined had net worth equal to 64.8 percent of their total assets as compared with 65.1 percent for the preceding periods.

Table 6. - Consolidated financial statements for 18 major cooperative purchasing associations, at the close of their fiscal years, 1943 and 1944

Item	1943		1944	
	Amount	Percentage of total	Amount	Percentage of total
Assets:				
Current assets.....	\$53,044,195	69.8	\$66,210,717	66.1
Fixed assets.....	15,987,579	21.0	23,645,907	23.6
Other assets.....	6,958,922	9.2	10,256,666	10.3
Total assets.....	\$75,990,696	100.0	\$100,113,290	100.0
Liabilities and net worth:				
Current liabilities.....	\$20,737,990	27.3	\$22,375,212	22.3
Other liabilities.....	5,751,706	7.6	12,909,800	12.9
Net worth (capital and reserves).	49,501,000	65.1	64,828,278	64.8
Total liabilities and net worth.....	\$75,990,696	100.0	\$100,113,290	100.0

The 18 associations combined had \$2.96 in current assets for each \$1 in current liabilities at the end of their 1944 fiscal years as compared with a current ratio of \$2.56 to \$1 for the preceding year.

The improvement in the ratio of net worth to total assets and in the ratio of current assets to current liabilities shows clearly that these associations as a group strengthened their financial position during their fiscal years ending in 1944.

SOURCE OF NET WORTH

At the close of their fiscal years in 1944, the 18 major regional purchasing cooperatives had a total net worth of \$64,828,278. Of this amount, the associations reported that \$42,317,539, or 65.3 percent, represented amounts which had been retained out of savings, while \$22,510,739, or 34.7 percent, represented amounts accumulated through sale of stock or from membership fees.

APPENDIX A

**VALUE OF SUPPLIES DISTRIBUTED BY THREE MAJOR REGIONAL
MARKETING-PURCHASING COOPERATIVES FOR FISCAL YEARS
ENDING IN 1943 AND IN 1944**

The three regional marketing-purchasing associations which distribute the largest amounts of farm supplies are the Washington Cooperative Farmers Association,¹ the Poultry Producers of Central California, and the Utah Poultry Producers Cooperative Association. All of these associations are centralized organizations with distribution being direct to farmers through local branches maintained by each association. Sales are thus expressed in terms of amounts paid by farmers for supplies.

The value of feed and other farm supplies distributed to its members by the Washington Cooperative Farmers Association of Seattle, Washington, was as follows for the years ending December 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$13,195,507	\$13,530,132
Seeds.....	166,317	197,869
Fertilizer.....	123,574	153,222
Petroleum.....	963,978	1,131,333
Other farm supplies, such as paints, automotive supplies, steel products, roofing, etc.....	<u>328,847</u>	<u>392,091</u>
Total.....	<u>\$14,778,223</u>	<u>\$15,404,647</u>

Net savings to members on supply operations amounted to \$948,224 in 1943 and \$752,554 in 1944, after paying \$119,847 in 1943 and \$119,574 in 1944 in the form of 6 percent dividends on capital stock for financing such operations.

The Poultry Producers of Central California with headquarters in San Francisco had farm supply sales as follows for the fiscal years ending December 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$16,123,353	\$17,697,244
Supplies.....	200,244	248,455
Gasoline.....	<u>176,602</u>	<u>290,014</u>
Total.....	<u>\$16,500,199</u>	<u>\$18,235,713</u>

¹In February 1945, the Washington Cooperative Egg & Poultry Association adopted the name Washington Cooperative Farmers Association.

The value of farm supplies distributed by the Utah Poultry Producers Cooperative Association, Salt Lake City, Utah, were as follows for the years ending December 31, 1943 and 1944:

<u>Commodities</u>	<u>1943</u>	<u>1944</u>
Feed.....	\$4,792,492	\$4,958,919
Supplies.....	<u>142,215</u>	<u>136,000</u>
Total.....	<u>\$4,934,707</u>	<u>\$5,094,919</u>

It will be observed that feed was the principal supply distributed by these three associations. In 1944, feed represented 93.4 percent of all supply sales. Altogether these three associations increased supply sales from \$36,213,129 in 1943 to \$38,735,279 in 1944, or an increase of 7 percent. Feed volume for the three associations combined increased by 6.1 percent while supplies other than feed showed an increase of 21.3 percent.

U. S. DEPARTMENT OF AGRICULTURE
FARM CREDIT ADMINISTRATION
KANSAS CITY 8, MO.

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