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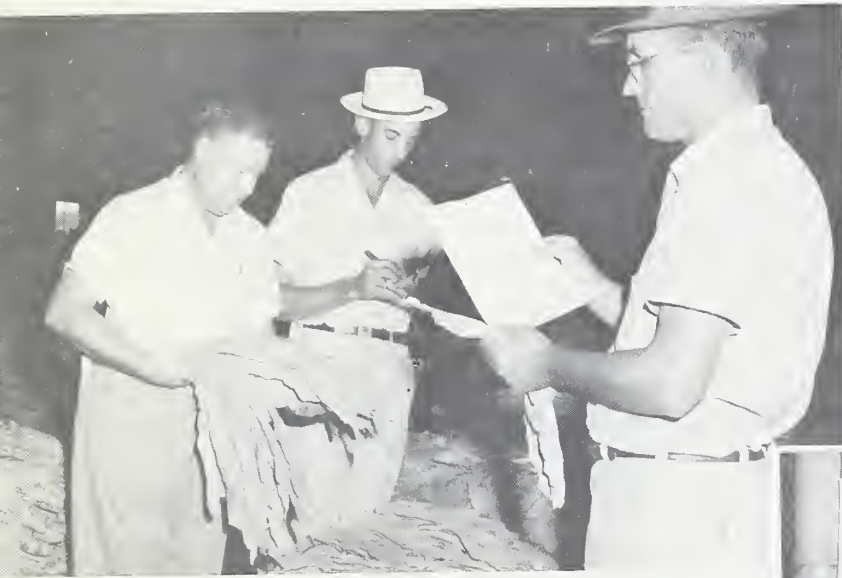
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U.S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
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1963
GARDEN CITY, N. J.

Tobacco

INSPECTION • MARKET NEWS
AND DEMONSTRATION SERVICES

Type 11-14
FLUE-CURED



U. S. DEPARTMENT OF AGRICULTURE
AGRICULTURAL MARKETING SERVICE
TOBACCO DIVISION - WASHINGTON, D. C.

JULY 1963

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Cover illustrations:

1. A Federal tobacco inspector (center) grading a basket of tobacco prior to auction sale.
2. The daily USDA tobacco market news reports are placed at convenient locations in the auction warehouses.
3. A Federal tobacco inspector demonstrating the proper sorting and preparation of tobacco for market.

TOBACCO INSPECTION, MARKET NEWS, AND DEMONSTRATION SERVICES

Class 1 - Flue-cured
Types 11(a), 11(b), 12, 13, and 14

Inspection of tobacco according to standard grades as an aid to growers in marketing their crop began in the United States Department of Agriculture in 1929. In August 1935, The Tobacco Inspection Act became law. This act offered growers free and mandatory inspection on tobacco auction markets where it was desired. That is, the growers might request a referendum be held on a market or group of markets, and if two-thirds of the voters favored inspection, those markets would then be designated by the Secretary of Agriculture for free and mandatory inspection.

In 1936, growers, recognizing the benefits of the inspection service, began requesting it for their respective markets. By 1940, it had spread to more than one-third of the auction markets in the flue-cured area. In May 1942, a general referendum was held and passed for the remaining markets, but qualified inspectors were not available for all of the markets until the season of 1946. Beginning that season all flue-cured markets (located in Virginia, North Carolina, South Carolina, Georgia, and Florida) have had free and mandatory inspection service.

The purposes of the inspection and market news services are readily understood by every farmer who has sold a split lot of tobacco for two widely different prices, or has rejected a bid and resold the same tobacco, on the same day, on the same warehouse floor, for possibly several dollars above the first price offered. Every tobacco grower knows there is much uncertainty about the price any basket of tobacco will bring, and that there is a wide range in the prices paid for lots of tobacco of the same quality.

Inspection and market news services, based on Government standard grades, have been developed to provide a measuring stick and price guide to the grower. Prior to the sale, a trained inspector examines each basket of tobacco and certifies it as to grade 1/. The market price reports, furnished by the market news service, cooperating in some instances with State agencies, give the grower the current average price paid and support price for each specific grade. With this information he can determine whether his tobacco is selling in line with current prices, and is enabled when necessary to make intelligent decisions, as to rejections, sales, or accepting loan prices.

The Government through its lending agencies offers non-recourse loans on crops for which marketing quotas have been approved by growers. These are administered through cooperative associations or other responsible organizations, that place a support price on each basket of growers' tobacco that is in sound and merchantable condition. The Government standard grades, affixed by authorized inspectors, are the bases for the loans.

1/ Packed and processed tobacco is also inspected and grade certified upon application by interested parties.

BRIEF CLASSIFICATION OF LEAF TOBACCO

(Covering classes and types)

CLASS 1, FLUE-CURED TYPES

- Type 11: Old Belt flue-cured; produced in the Piedmont sections of Virginia and North Carolina.
Type 12: Eastern North Carolina flue-cured; produced in the coastal sections of North Carolina, north of the South River.
Type 13: South Carolina flue-cured; produced in the coastal sections of South Carolina and the southeastern counties of North Carolina, south of the South River.
Type 14: Georgia and Florida flue-cured; produced in southern Georgia and northern Florida.

CLASS 2, FIRE-CURED TYPES

- Type 21: Virginia fire-cured; produced in the Piedmont and mountain sections of Virginia.
Type 22: Tennessee-Kentucky fire-cured, eastern district, Clarksville, Springfield, and Hopkinsville; produced in a section east of the Tennessee River, in southern Kentucky and northern Tennessee.
Type 23: Kentucky-Tennessee fire-cured, western district, Mayfield, and Murray; produced in a section between the Tennessee, Ohio, and Mississippi rivers in western Kentucky and northwestern Tennessee.

CLASS 3, AIR-CURED TYPES

LIGHT AIR-CURED (CLASS 3a)

- Type 31: Burley; produced in Kentucky, Tennessee, Ohio, Indiana, West Virginia, Virginia, North Carolina, and Missouri.
Type 32: Southern Maryland; produced in five counties of southern Maryland--Prince Georges, Anne Arundel, Calvert, Charles, and St. Marys.

DARK AIR-CURED (CLASS 3b)

- Type 35: One Sucker; produced in north-central Tennessee and south-central Kentucky.
Type 36: Green River; produced in the northern part of Kentucky in the territory adjacent to Owensboro and Henderson.
Type 37: Virginia sun-cured; produced in central Virginia, north of the James River.

CLASS 4, CIGAR-FILLER TYPES

- Type 41: Pennsylvania Seedleaf; produced in Lancaster County, Pa., and the adjoining counties.
Type 42-44: Ohio filler; produced in the Miami Valley section of Ohio and extending into Indiana.
Type 46: Puerto Rican sun-grown, including primed (Deshojado) and stalk-cut (Mata); produced on the Island of Puerto Rico.

CLASS 5, CIGAR-BINDER TYPES

- Type 51: Connecticut Broadleaf; produced in the Connecticut Valley sections of Connecticut and Massachusetts.
Type 52: Connecticut Havana Seed; produced in the Connecticut and Housatonic Valley sections of Connecticut and Massachusetts.
Type 53: New York and Pennsylvania Havana Seed; produced in the Big Flats and Onondaga sections of New York, and extending into Pennsylvania.
Type 54: Southern Wisconsin; produced in Wisconsin, south and east of the Wisconsin River.
Type 55: Northern Wisconsin; produced in Wisconsin, north and west of the Wisconsin River, and in eastern Minnesota.

CLASS 6, CIGAR-WRAPPER TYPES

- Type 61: Connecticut Shade; produced in the Connecticut Valley sections of Connecticut and Massachusetts.
Type 62: Georgia and Florida Shade; produced in southwestern Georgia and north-central Florida.

MISCELLANEOUS TYPES OF DOMESTIC TOBACCO

- Type 72: Louisiana Perique.
Type 73: All domestic types of tobacco not otherwise classified.
Type 77: Domestic Aromatic.

FOREIGN TYPES

- Type 81: Cuba.
Type 82: Indonesia.
Type 83: Philippine Islands.
Type 84: Brazil.
Type 85: Colombia.
Type 86: Dominican Republic.
Type 87: Paraguay.
Type 88: All foreign-grown cigar-leaf not otherwise classified.
Type 90: Foreign-grown cigarette and smoking tobacco (Turkish and other).

TOBACCO

AUCTION MARKETS AND PRODUCING AREAS

(CIGAR LEAF PRODUCING AREAS NOT SHOWN)



TYPE AREAS INDICATED BY NUMBERS II-37

MARKETS THAT SELL TWO OR MORE TYPES:	
RUSSELLVILLE, KY	TYPES 31 AND 35
DWENSBORO, KY	TYPES 31 AND 36
HOPKINSVILLE, KY	TYPE 22 AND 31
CLARKSVILLE, TENN	TYPE 22 AND 51
SPRINGFIELD, TENN	TYPES 22, 31, AND 35
MAYFIELD, KY	TYPES 23, 31, AND 33
MURRAY, KY	TYPES 23 AND 33
FRANKLIN, KY	TYPES 31 AND 33

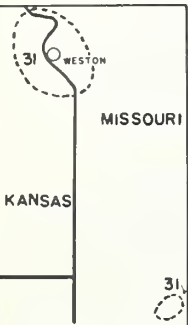
• MARKETS THAT SELL SETS OF BUYERS

TYPE 31	
LOUISVILLE, KY, AND NEW ALBANY, IND.	2 SETS
MAYFIELD AND PADUCAH, KY	1 SET
COLUMBIA AND MT PLEASANT, TENN	1 SET
BOWLING GREEN, FRANKLIN, AND RUSSELLVILLE, KY (IN ADDITION TO 1 FULL SET AT BOWLING GREEN)	2 SETS
ATHENS AND SWEETWATER, TENN	1 SET

TYPE 38	
FRANKLIN, RUSSELLVILLE, MAYFIELD, AND MURRAY, KY, AND SPRINGFIELD AND WESTMORELAND, TENN.	2 SETS

IN BLUE-CURED, A FEW MARKETS ARE INCLUDED IN ONE TYPE GROUPING ON THE BASIS OF OPENING DATE BUT ARE LOCATED IN ANOTHER TYPE AREA
ALL MARKETS ARE OFFICIALLY INSPECTED.
(BALTIMORE IS NOT AN AUCTION CENTER, IT IS A HOGSHEAD MARKET)

SMALL NUMBERS WITHIN CIRCLES REPRESENT NUMBER OF SETS OF BUYERS.

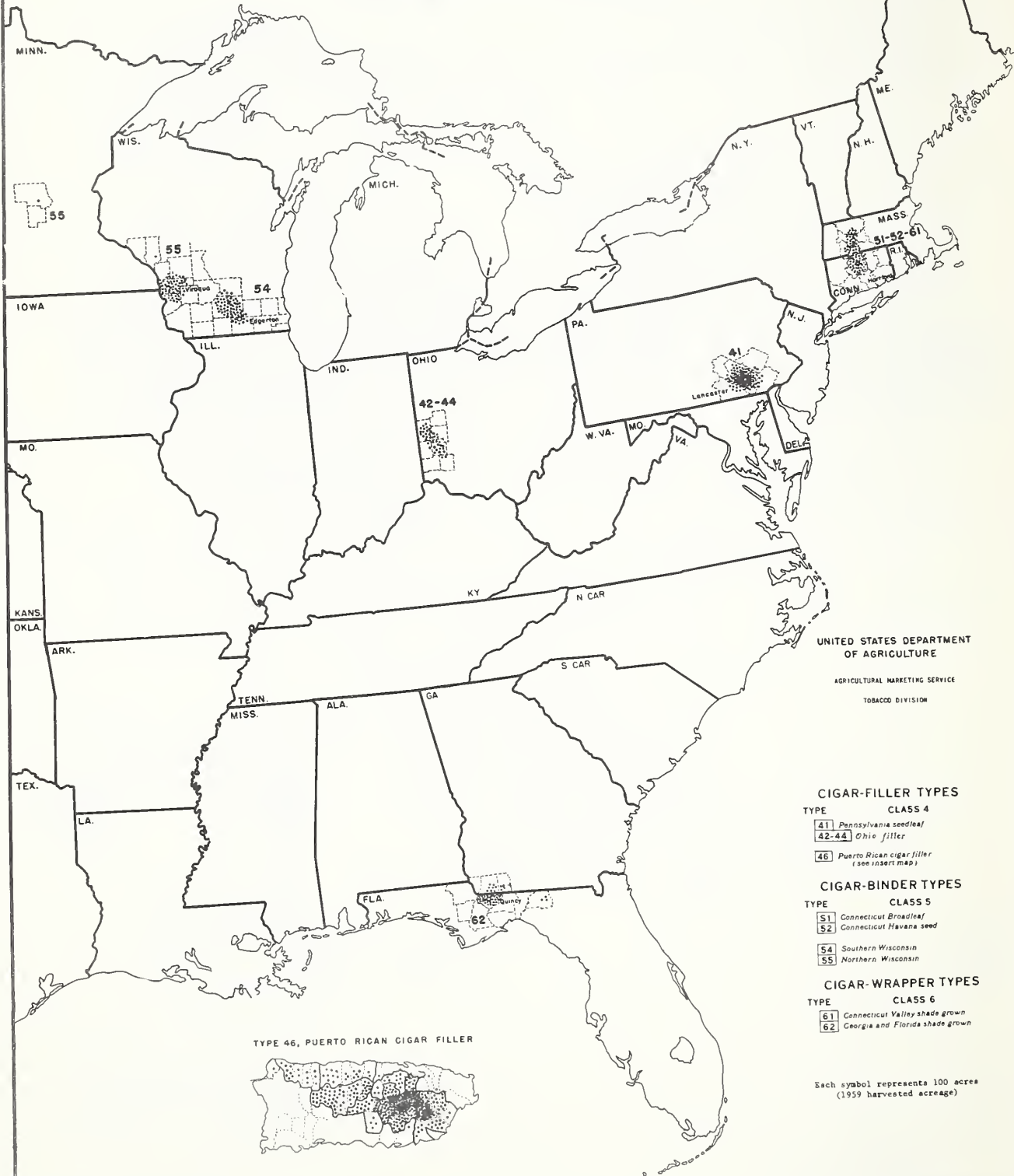


U.S. DEPARTMENT OF AGRICULTURE

NEG. 8021-60 (8) AGRICULTURAL MARKETING SERVICE

TOBACCO

CIGAR - LEAF GROWING DISTRICTS



UNITED STATES DEPARTMENT OF AGRICULTURE
 AGRICULTURAL MARKETING SERVICE
 TOBACCO DIVISION

CIGAR-FILLER TYPES

- TYPE CLASS 4
- 41 Pennsylvania seedleaf
 - 42-44 Ohio filler
 - 46 Puerto Rican cigar filler (see insert map)

CIGAR-BINDER TYPES

- TYPE CLASS 5
- 51 Connecticut Broadleaf
 - 52 Connecticut Havana seed
 - 54 Southern Wisconsin
 - 55 Northern Wisconsin

CIGAR-WRAPPER TYPES

- TYPE CLASS 6
- 61 Connecticut Valley shade grown
 - 62 Georgia and Florida shade grown

Each symbol represents 100 acres (1959 harvested acreage)

TYPE 46, PUERTO RICAN CIGAR FILLER

The Tobacco Inspection Act provides for three related services: Inspection, market news, and demonstration.

INSPECTION SERVICE. The inspection is done by highly trained specialists in tobacco judging, who have taken training courses and passed tests to qualify them for this type of work. They precede the auction sale and certify each basket as to grade, according to Federal standards. This grade is, in reality, a description of each basket of tobacco as to group, quality, and color. Grades can be readily understood by the grower, if he is given a little instruction in their application.

Class. The first and major division of tobacco is class. It is based on characteristics connected with different varieties, soils, or climatic conditions, or with the method of cultivation, harvesting, or curing.

Type. Each class is subdivided into types. A type has certain common characteristics and can be divided into closely related grades.

Grade. The next subdivision is grade. A grade is a subdivision of a type according to group, quality, and color.

(a) Group. The first and basic factor of a grade is group, a division of a type covering closely related grades based on certain characteristics which are related to stalk position, body, or the general quality of the tobacco. Groups in flue-cured are: Lugs (X), Cutters (C), Leaf (B), Wrappers (A), Nondescript (N), and Scrap (S), with subgroups of Primings (P) and Smoking Leaf (H).

Lugs (X). The leaves of this group normally grow low on the stalk. They are thin to medium in body and have a dull finish. Lugs show a material amount of injury characteristic of leaves grown near the ground.

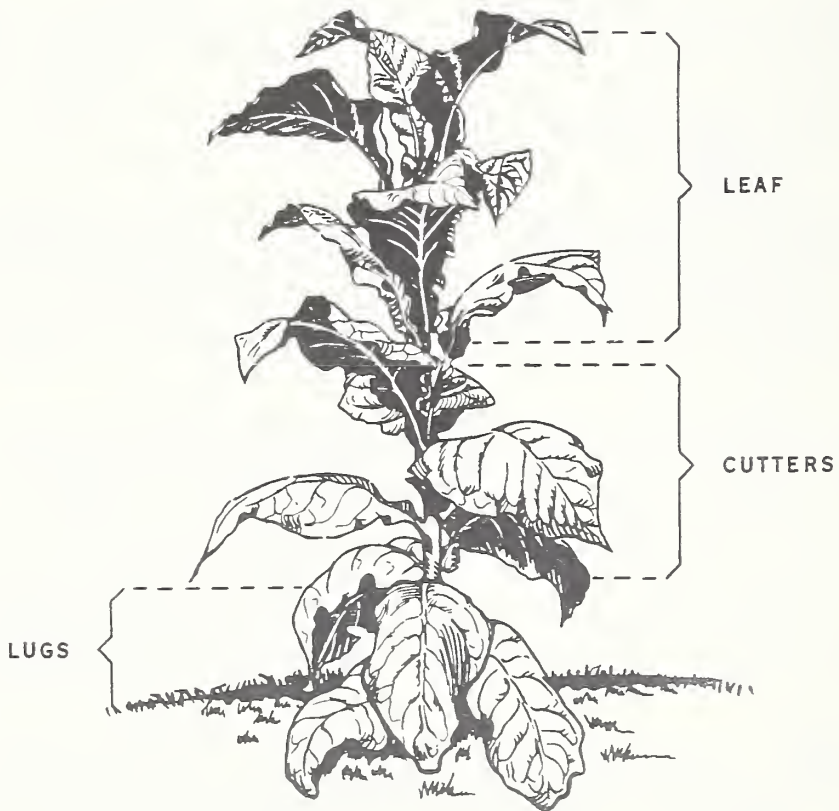
Primings (P). This subgroup of Lugs consists of leaves from the lowest portion of the stalk. These leaves are premature but have the appearance of being ripe due to the process of starvation caused by translocation of plant-food elements from these leaves to other leaves higher on the stalk. Primings are flimsy and dingy and generally have an earthy odor and show ground injury.

Cutters (C). This group normally grows on the plant above the Lugs. Its leaves are thin to medium in body and are usually the longest and widest on the plant. They have a high degree of smoothness and finish. They are further distinguished by the crepelike appearance of leaf surface.

Leaf (B). This tobacco is medium to heavy in body and normal to narrow in width and its maturity varies from ripe to fairly ripe. B-group leaves tend to fold and have large midribs.

Smoking Leaf (H). This is a subgroup of the thin-bodied side of the Leaf group. H-subgroup leaves have more prominent fibers than the normal Leaf group. Smoking Leaf tobacco is nonelastic, very ripe to mellow, and has an open to porous weave. The leaves show a considerable amount of injury caused by a high degree of maturity.

FLUE-CURED TOBACCO PLANT



Wrappers (A). This group consists of leaves from either Leaf or Cutters, which are silky, elastic, oily, spready, and ripe. These leaves have a clear to bright finish and are over 18" long. Wrappers must not exceed the specified injury tolerance.

Nondescript (N). This group consists of extremely common tobacco which does not meet the minimum specifications or which exceeds the injury tolerance of the lowest grade of any other group. Nondescript includes extremely wet or semicured tobacco.

Scrap (S). This is a byproduct of unstemmed and stemmed tobaccos. Scrap accumulates from handling tobacco in farm buildings, warehouses, packing and conditioning plants, and stemmeries.

(b) Quality. The second factor of a grade is quality, a division of a group based on the relative degree of one or more elements of quality in tobacco. The six degrees of quality in flue-cured are: Choice (1), Fine (2), Good (3), Fair (4), Low (5), and Poor (6).

(c) Color. The third factor of a grade is color, and is expressed in degrees of visual difference related to a scale of values that are common to the type. The terms used to describe color in flue-cured are: Lemon (L), Orange (F), Orange red (FR), Red (R), Walnut (D), Variegated (K), Green (G), Lemon greenish (LV), Orange greenish (FV), Green lemon (GL), Green orange (GF), Green red (GR), Green variegated (GK), Gray green (GG), Variegated lemon (KL), Variegated orange (KF), Variegated greenish (KV), and Variegated mixed (KM).

Combination symbols are Lemon slick (LS), Orange slick (FS), Rank red (RR), and Rank green (RG).

A combination of group, quality, and color can be made to form a grade. To simplify the use of Groups, Qualities, and Colors, letters and numerals are used to represent the words they stand for, as follows:

KEY TO STANDARD GRADEMARKS

<u>Groups</u>	<u>Qualities</u>
A - Wrappers	1 - Choice
B - Leaf	2 - Fine
H - Smoking Leaf	3 - Good
C - Cutters	4 - Fair
X - Lugs	5 - Low
P - Primings	6 - Poor
N - Nondescript	
S - Scrap	

<u>Color Symbols</u>		<u>Combination Symbols</u>
L - Lemon	GL - Green lemon	LS - Lemon slick
F - Orange	GF - Green orange	FS - Orange slick
FR - Orange red	GR - Green red	RR - Rank red
R - Red	GK - Green variegated	RG - Rank green
K - Variegated	GG - Gray green	LX - Lug side
D - Walnut	KL - Variegated lemon	
G - Green	KF - Variegated orange	
LV - Lemon greenish	KV - Variegated greenish	
FV - Orange greenish	KM - Variegated mixed	

Substituting symbols for words, Cutters of Good quality in Orange color would be written C3F. The first symbol, C, indicates the group, the second symbol, 3, denotes the quality, and the third symbol, F, describes the color. Each symbol used in a Federal Grade for tobacco has therefore a definite and known meaning.

To make this clear, assume we are to determine a grade of a single lot of tobacco. Upon examination we find from characteristics it is clearly a Lug and we know the first symbol is X. Examining it more closely as to relative degrees of quality, we find that it is fairly smooth, fairly ripe, and thin in body, and has fairly open weave, fairly true color shade, dull finish, and less than 40 percent injury. We are thus able to arrive at its degree of quality, which is 3 or Good. Assuming the major portion of the Lugs are lemon-colored leaves, we use the symbol L, making it X3L. Now we have a complete description of the tobacco.

1/ The details of the groups, qualities, and colors used in connection with the grades for flue-cured tobacco are shown on page 12.

Operation of Inspection Service:

(1) Growers deliver their tobacco to the market of their choice and to any warehouse they may select.

(2) The tobacco is arranged for sale on flat baskets.

(3) Each lot, or basket, is then weighed and a warehouse ticket is placed on the lot. The ticket shows the name of the seller and the number of pounds of tobacco in the lot, and may give other information for the purpose of identification. Space is provided on the ticket for the name of the buyer, the grade symbol of the buyer, and the price at which the tobacco is sold. It also has a space in the upper-right corner for the Federal grade (see page 16).

(4) The lots, or baskets, are placed in line on the warehouse floor.

(5) As soon as there is good light, the official inspector starts at the beginning of the "break" ahead of the sale, and makes a careful examination of each basket of tobacco. He then writes on the ticket, in the space provided, the Federal grade that correctly describes the tobacco in the lot, inserts the date, and signs his initials. If the tobacco inspected is Leaf of Fair quality in Red color, the inspector writes B4R. If the tobacco is made up of Cutters of Fine quality in Lemon color, the grade symbols are C2L. If the lot is made up of Lugs of Good quality in Orange color, the grade mark is X3F. The warehouse ticket then becomes a certificate of grade and shows the type of tobacco as well as its group, quality, and color.

- - - - -

The Federal system of grades for tobacco differs from private systems in that it must be more comprehensive, since it must describe any and all lots of tobacco offered for sale. Each symbol has a definite meaning which is known to the general public, and symbols are a complete description of the lot to which they apply.

Farmers are sometimes confused by the fact that the combinations of the several groups, qualities, and colors form such a large number of grades. Because the total number cannot be applied to their particular crops, they say that too many grades are recognized. However, it should be remembered that grades are used only as required, and only a limited number are necessary to describe all the tobacco in an individual crop. Crops from different farms and from different areas show such a wide variation that a wide range in grades is necessary to describe all flue-cured tobacco offered for sale.

CLASSIFICATION OF TOBACCO, TYPES 11-14

Color symbols and descriptions	Groups and qualities							Color symbols	Nondescript
	A-Wrappers	B-Leaf	H-Smoking Leaf	C-Cutters	X-Lugs	P-Primings			
Lemon	Choice	Choice	Choice	Choice	Choice			L	Best - N1
Orange	1-2	1-2-3-4-5-6	1-2-3-4-5-6	1-2-3-4-5	1-2-3-4-5	2-3-4-5	F	F	
Orange red		1-2-3-4-5-6	1-2-3-4-5-6	1-2-3-4-5	1-2-3-4-5	2-3-4-5	FR	L	(from P Group)
Red	1-2	1-2-3-4-5-6	3-4-5-6				R	LX	(from X and H Groups)
Variegated		1-2-3-4-5-6					K	F	Medium-bodied,
Walnut		4-5-6					D	F	Medium-colored,
Green		5-6				4-5	G	R	(from B Group)
Lemon greenish		3-4-5		4	4		LV		Heavy, Dark-colored,
Orange greenish		3-4-5		4	4		FV		(from B Group)
Green lemon		4-5-6					GL	GL	Thin, Crude Green,
Green orange		4-5-6					GF	GF	(from P and X Groups)
Green red		4-5-6					GR	GR	Medium-bodied,
Green variegated		4-5-6					GK	GK	Medium-colored,
Gray green		5					GG	GG	Crude Green,
Variegated lemon		3-4-5-6					KL	GR	(from B Group)
Variegated orange		3-4-5-6		4	4	4	KF	GR	Heavy, Dark-colored,
Variegated greenish		4-5-6		4	4	4	KV	GF	Crude Green,
Variegated mixed		3-4-5-6		4	4	3-4	KM	GG	(from B Group)
Combination symbols									Poorest - N2
Lemon slick		3-4-5-6		4-5	3-4		LS		(of any group or color)
Orange slick		3-4-5-6		4-5	3-4		FS		
Rank red		5					RR		
Rank green		5					RG		

SUMMARY OF STANDARD GRADES

4 Grades of Wrappers	29 Grades of Leaf						16 Grades of Smoking Leaf			10 Grades of Cutters	
A1F A1R	B1L	B1F	B1FR	B1R			H1L	H1F		C1L	C1F
A2F A2R	B2L	B2F	B2FR	B2R			H2L	H2F		C2L	C2F
	B3L	B3F	B3FR	B3R			H3L	H3F	H3FR	C3L	C3F
	B4L	B4F	B4FR	B4R	B4K		H4L	H4F	H4FR	C4L	C4F
	B5L	B5F	B5FR	B5R	B5K	B5D	H5L	H5F	H5FR	C5L	C5F
	B6L	B6F	B6FR	B6R	B6K	B6D	H6L	H6F	H6FR		

10 Grades of Lugs	8 Grades of Primings				12 Grades of Greenish						
X1L X1F											
X2L X2F		P2L	P2F								
X3L X3F		P3L	P3F			B3LV	B3FV			X3LV	X3FV
X4L X4F		P4L	P4F			B4LV	B4FV	C4LV	C4FV	X4LV	X4FV
X5L X5F		P5L	P5F			B5LV	B5FV				

16 Grades of Variegated								16 Grades of Slick					
B3KL	B3KF							B3LS	B3FS		X3LS	X3FS	
B4KL	B4KF	B4KV	C4KL	C4KF	X4KL	X4KF	X4KV	B4LS	B4FS	C4LS	C4FS	X4LS	X4FS
B5KL	B5KF	B5KV						B5LS	B5FS	C5LS	C5FS		
B6KL	B6KF	B6KV						B6LS	B6FS				

17 Grades of Green								7 Grades of Variegated Mixed				
B4GL	B4GF	B4GR	B4GK		X4G	P4G				B3KM		X3KM
B5GL	B5GF	B5GR	B5GK	B5GG	X5G	P5G				B4KM	C4KM	X4KM
B6GL	B6GF	B6GR	B6GK							B5KM		
										B6KM		

2 Grades of Rank	9 Grades of Nondescript						1 Grade of Scrap
							S
B5RR	B5RG				N1L	N1GL	
					N1LX	N1GF	
					N1F	N1GR	
					N1R	N1GG	
					N2		

Special factors "U" (unsound) and "W" (doubtful-keeping order) may be applied to all grades. Tobacco not covered by the standard grades is designated "No-G."

FLUE-CURED MARKETS, WAREHOUSES, AND SETS OF BUYERS, 1962 SEASON

Market	Warehouses	Buyers	Market	Warehouses	Buyers
<u>Type 11(a)</u>	<u>Number</u>	<u>Sets</u>	<u>Type 13</u>	<u>Number</u>	<u>Sets</u>
Virginia:			South Carolina:		
Brookneal	3	1	Conway	4	1
Chase City	4	1	Darlington	4	1
Clarksville	2	1	Dillon	3	1
Danville	12	4	Hemingway	2	1
Kenbridge	5	1	Kingstree	3	1
Lawrenceville	2	1	Lake City	9	4
Martinsville	3	1	Lamar	3	1
Petersburg	2	1	Loris	4	1
Rocky Mount	1	1	Mullins	10	4
South Boston	8	2	Pamplico	5	1
South Hill	5	1	Timmons ville	4	2
Total	47	15	Total	51	18
North Carolina:			North Carolina:		
Burlington	4	1	Chadbourn	2	1
Greensboro	2	1	Clarkton	3	1
Madison	4	1	Fair Bluff	5	1
Mebane	2	1	Fairmont	9	4
Mt. Airy	3	1	Fayetteville	2	1
Reidsville	4	1	Lumberton	8	3
Roxboro	6	1	Tabor City	2	1
Stoneville	4	1	Whiteville	9	3
Winston-Salem	8	4	Total	40	15
Total	37	12	Total Type 13	91	33
Total Type 11(a)	84	27			
			<u>Type 14</u>		
<u>Type 11(b)</u>			Georgia		
North Carolina			Adel	4	1
Aberdeen	3	1	Alma	5	1
Carthage	2	1	Baxley	6	1
Durham	7	3	Blackshear	6	2
Ellerbe	2	1	Claxton	3	1
Fuquay-Varina	4	2	Douglas	5	2
Henderson	7	2	Fitzgerald	3	1
Louisburg	3	1	Hahira	5	1
Oxford	7	2	Hazlehurst	3	1
Sanford	5	1	Metter	2	1
Warrenton	5	1	Moultrie	6	2
Total Type 11(b)	45	15	Nashville	3	2
			Pearson	1	1
			Pelham	4	1
<u>Type 12</u>			Quitman	5	1
North Carolina			Statesboro	10	2
Ahoskie	3	1	Swainsboro	2	1
Clinton	3	1	Sylvester	2	1
Dunn	2	1	Thomasville	2	1
Farmville	7	2	Tifton	7	2
Goldsboro	5	1	Valdosta	3	2
Greenville	10	5	Vidalia	6	2
Kinston	12	4	Waycross	4	1
Robersonville	3	1	Total	97	31
Rocky Mount	10	4	Florida		
Smithfield	7	2	High Springs	3	1
Tarboro	6	1	Jasper	5	1
Wallace	4	1	Lake City	4	1
Washington	2	1	Live Oak	6	2
Wendell	3	1	Madison	2	1
Williamston	4	1	Total	20	6
Wilson	12	5	Total Type 14	117	37
Windsor	3	1	GRAND TOTAL	433	145
Total Type 12	96	33			

MARKET NEWS SERVICE. The average farmer cannot spend enough time on the warehouse floor to keep posted on the approximate value of the different grades of tobacco, but he must have this information if he is to get a fair price for his tobacco. The tobacco market news service gathers this information as a companion activity of the inspection service.

The value of the inspection and market news services lies in the fact that the certificate of grade on the warehouse ticket provides tobacco growers with unbiased information regarding the grade or quality of each lot of tobacco offered for sale, and the price reports furnish a definite basis for making an intelligent decision on whether or not to accept a bid.

During morning sales, on representative markets located over the entire Belt, a record is made of grade, pounds, and price for each lot sold. These data are transmitted to a central market news office, where averages are calculated for representative grades and issued in the form of a daily press release. This report carries quotations on grades which represent around three-fourths of the total volume of offerings. The release reviews the highlights of the day's sale covering such items as quality, price, trend, high and low price for individual baskets, etc. Sales figures for the Belt are also included. Newspapers and radio and television stations are furnished with the release daily.

Daily price reports are sent to every market showing the average price at which each grade sold the preceding day, along with the support price for the grade. This information is made available to growers selling on the market. In addition, weekly market news reports and press releases are issued which review the marketing activities for the week.

Market price reports furnish growers with current average prices and support prices by grade. If a certain grade is averaging well above the support price, it is well for the grower to think before accepting the loan price. For example, if the average for B5R was \$54.00, and the support was \$37.00, and the grower was offered a bid below the support price, it would be worth his time to reject this bid and offer the lot at the next sale. He is assured that the loan price will be the same all season, and in most cases his lot would bring a price nearer the average on the second sale, and thus give him a nice profit over the first sale.

Information like this will enable every farmer to know after his tobacco is sold whether the prices, lot by lot, are in line with those already established on a grade basis by the buyers. This information will enable farmers to market their tobacco on a basis of fair competition.

No.

PLANTER

AND

84
John Doe

TOBACCO INSPECTION CERTIFICATE
This tobacco, inspected under the Tobacco Inspection Act
by the U. S. Department of Agriculture, is certified to be:

Type 11B
Grade.....

By.....
(Date) (Inspector U.S.D.A.)

(NAME OF WAREHOUSE)

Lbs. 180

No.

PLANTER

AND

84
John Doe

TOBACCO INSPECTION CERTIFICATE
This tobacco, inspected under the Tobacco Inspection Act
by the U. S. Department of Agriculture, is certified to be:

Type 11B
Grade..... H 5 F

9-10-63 By.....
(Date) (Inspector U.S.D.A.)

(NAME OF WAREHOUSE)

Lbs. 180

71

R 44X

TOBACCO WAREHOUSE TICKET - BEFORE AND AFTER INSPECTION AND SALE

NOTICE TO GROWERS

THE INFORMATION FURNISHED IN THIS REPORT IS INTENDED TO HELP YOU IN OBTAINING THE CURRENT MARKET PRICE FOR YOUR TOBACCO.

USE DAILY PRICE REPORTS REGULARLY

Note both AUCTION BID average and ADVANCE price shown. You have one of the following three choices:

1. Accept Bid Price Offered.
2. Reject Bid Price and Re-offer at Auction.
3. Deliver to Stabilization Corporation at Advance.
However, the advances listed on the other side are applicable only to tobacco identified on a "Within Quota" marketing card. Consult your warehouseman about delivery of any tobacco to Stabilization Corporation.
BE SURE TO HAVE MEMBERSHIP CARD AVAILABLE AT TIME OF SALE.

CAREFUL PREPARATION OF TOBACCO FOR MARKET PAYS A PROFIT

1. Keep GREEN and UNRIPE (Slick) separated from RIPE tobacco.
2. Keep tobacco CLEAN - Free from STRINGS, DIRT, GRASS, and ALL OTHER FOREIGN MATTER.
3. Tie heads of bundles uniformly - about size of half dollar. Never cap heads.
4. Handle and market your tobacco in proper keeping order. TOBACCO CONTAINING EXCESS MOISTURE IS LIKELY TO BE SOLD AT A LOSS TO THE GROWER. TOBACCO GRADED "W" (UNSAFE KEEPING ORDER), "U" (UNSOUND), OR "NO-G" (NO GRADE) IS NOT ACCEPTED BY THE STABILIZATION CORPORATION.

KEY TO STANDARD GRADE MARKS FOR FLUE-CURED TOBACCO

<u>Groups</u>	<u>Qualities</u>		<u>Color Symbols</u>	<u>Combination Symbols</u>
A-Wrappers	1-Choice	L-Lemon	GL-Green Lemon	LS-Lemon Slick
B-Leaf	2-Fine	F-Orange	GF-Green Orange	FS-Orange Slick
H-Smoking Leaf	3-Good	FR-Orange Red	GR-Green Red	RR-Rank Red
C-Cutters	4-Fair	R-Red	GK-Green Variegated	RG-Rank Green
X-Lugs	5-Low	K-Variegated	GG-Gray Green	LX-Lug Side
P-Primings	6-Poor	D-Walnut	KL-Variegated Lemon	
N-Nondescript		G-Green	KF-Variegated Orange	
S-Scrap		LV-Lemon Greenish	KV-Variegated Greenish	
		FV-Orange Greenish	KM-Variegated Mixed	

For example: B4F designates leaf, fair quality, and orange color.

Records of offerings and sales, compiled by the Department of Agriculture, show that when bids are materially below the price range per grade, farmers make money by rejecting the bids and putting their tobacco up for sale again. The data also show that when bids are within the price range per grade or above the average for the grade, farmers seldom profit but usually lose by rejecting the bid. The point is that if farmers are to benefit from the operations of the inspection and market news services they must apply the information obtained. Information which enables farmers to reject low bids and to obtain for their tobacco substantially higher prices at the second offering is of great value to producers in marketing their tobacco.

In addition, the Department issues market reviews each year which cover such information as opening and closing dates of all markets, number of warehouses and buyers on each market, warehouse charges, summary of sales by crop years, summary of sales by States and months, producers' sales and resales by markets, price charts showing fluctuations over a period of years, average price per grade each week of marketing season, percentages of each group, quality, and color in each crop, and other valuable data.

Any or all of these reports will be sent without cost, upon request to Market News Service, Tobacco Division, AMS, P. O. Box 549, Raleigh, N. C.

DEMONSTRATION SERVICE. The demonstration service is educational. It acquaints farmers with the objectives of inspection and market news and how these services can benefit them, and instructs them how to prepare their tobacco so that it will be sold at the highest price consistent with quality.

In cooperation with county agents and agricultural teachers, tobacco inspectors hold meetings directly at tobacco barns, where actual stripping demonstrations are given. These demonstrations show the farmer the best way to prepare his tobacco for market so that he will get the best possible price for it. Inspectors will also explain to agricultural students the advantages of knowing how to use the inspection and market news services.

Why the Government Acts. It may be asked, "Why cannot warehouse starters and buyers determine the grade of tobacco as well as Government inspectors?" Studies show that in the majority of instances they can, and do, since the bulk of sales are made at prices within the normal range for the several grades. But there are sales at abnormally low prices to be explained.

One explanation may be found in the rate at which tobacco is sold at auction. The normal rate at which flue-cured tobacco is auctioned is 400 lots an hour, or 1 lot each 9 seconds. Under normal conditions the warehouse starters and buyers must determine the group, quality, and color of a lot of tobacco every 9 seconds. It is extremely doubtful whether these determinations can be accurately and consistently made at this rate of speed during the whole period of sales. To a large extent the inequality in prices for the same grade of tobacco may be explained by errors in judgment on the part of starters and buyers, because of the speed at which tobacco is sold.

Another important factor is the light under which tobacco is sold. Some tobacco may be placed on the warehouse floor where the light is unsatisfactory. It may be in a dark corner, or under a skylight through which the sun shines directly on the tobacco. Both conditions render accurate determinations very difficult, and often adversely affect the sales price of the tobacco. Neither of these unfavorable conditions - rate of sales or unfavorable light - can be directly attributed to either the starters or the buyers, but the ill effects of both can be reduced materially by inspection service.

Under Federal inspection, to eliminate errors in judgment caused by speed and unfavorable light, sufficient inspectors are provided for each sale. Furthermore, as they begin inspecting tobacco sometime before the sale starts, they are not rushed and are able to make thorough examinations, and consequently more accurate and consistent determinations of grade. In addition, lots of tobacco that are under unsatisfactory light may be carried to proper light for better inspection and determination of grade.

Farmers should realize that both services are informational. The inspection service does not promote sales; it only supplies information regarding the quality of tobacco offered for sale. The market news service does not establish prices; it only records current average prices established by sales of tobacco. If the service is rightly used it will go far toward preventing the losses now suffered by growers when tobacco is knocked down at less than its current market value.

Summary. The object of Inspection, Market News, and Demonstration is to supply information regarding the factors pertaining to the value of tobacco offered for sale. These services (1) certify to the seller the grade of his tobacco, (2) furnish him with current average price and support or loan price for each grade, and (3) keep him informed as to the best way to prepare his crop for marketing. In short, they are designed to aid him in all ways to get as much money as possible for the tobacco which represents his year's work.

