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# 33<sup>rd</sup> Annual Report of the

## REGIONAL GRAIN COOPERATIVES

Stanley K. Thurston / Charles H. Meyer  
Service Report 126





UNITED STATES DEPARTMENT OF AGRICULTURE  
FARMER COOPERATIVE SERVICE  
WASHINGTON, D.C.

Farmer Cooperative Service provides research, management, and educational assistance to cooperatives to strengthen the economic position of farmers and other rural residents. It works directly with cooperative leaders and Federal and State agencies to improve organization, leadership, and operation of cooperatives and to give guidance to further development.

The Service (1) helps farmers and other rural residents obtain supplies and services at lower cost and to get better prices for products they sell; (2) advises rural residents on developing existing resources through cooperative action to enhance rural living; (3) helps cooperatives improve services and operating efficiency; (4) informs members, directors, employees and the public on how cooperatives work and benefit their members and their communities; and (5) encourages international cooperative programs.

The Service publishes research and educational materials and issues News for Farmer Cooperatives. All programs and activities are conducted on a nondiscriminatory basis without regard to race, creed, color, sex, or national origin.

July 1972



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33RD ANNUAL REPORT OF THE  
REGIONAL GRAIN COOPERATIVES<sup>1/</sup>  
1970-71

by Stanley K. Thurston  
and Charles H. Meyer

This report covers the financial condition and operating results of regional grain cooperatives. It is the latest in the annual series started in 1938 and continued at the request of the cooperatives.

The report primarily contains data on 23 regional grain cooperatives for the 1970-71 season and shows comparisons with 1961-62 and 1969-70 seasons. It also points out recent developments and some of the problems facing grain regionals in the years ahead.

RECENT ACTIVITY

Regional grain cooperatives continue to efficiently market their grain and oilseeds through their terminal, sub-terminal, and country elevator facilities.

Figure 1 shows headquarter locations of the regionals, location of their sub-terminal and terminal storage facilities, soybean processing plants, and other grain processing facilities. Much of the expansion and modernization of storage and processing facilities has

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<sup>1/</sup> A regional grain cooperative is defined as a cooperative that handles a relatively large volume of grain from smaller cooperative grain elevators. Generally, the grain facilities of these regionals are at important grain marketing centers.





FIG. 1--LOCATION OF REGIONAL GRAIN MARKETING SERVICES AND THEIR SUB-TERMINAL AND TERMINAL ELEVATORS, 1972





been at strategic river, lake, and ocean harbor points, permitting the regionals to take advantage of the lower water transportation rates.

Grain, poultry, and livestock production in southern and southeastern states has increased in recent years. As a result, some regional grain cooperatives have built processing and storage facilities in these and other areas to furnish outlets for their members' production.

Regionals have helped members improve their facilities and conduct more efficient grain marketing operations at the local level. Through the National Federation of Grain Cooperatives, research programs, subleasing railroad hopper cars, advisory committees, radio and television programs, and other media, managements of the regionals are helping all grain farmers.

For several years some regionals have held accounting schools to train local elevator bookkeepers. With the advent of more sophisticated electronic data processing equipment, many regionals are maintaining some of the records for local elevator members.

Some also conduct management training conferences, directors' schools, and member relations clinics. Use of field men is increasing, both at the local and regional level, to provide technical advice and improve communications.



### Research by Cooperatives

Several regionals have installed milling and baking laboratories to learn more about the products they sell for their members and to encourage farmers to grow the kind of grain that will sell best.

Many cooperatives are working closely with grain improvement associations in developing new varieties. By producing types of wheat and other grains that meet exact milling specifications and feeding requirements, farmers can expect better returns and more uses for their cash grain. Some regionals also pay premiums for approved varieties and protein content.

Far-Mar-Co is working toward becoming a marketer of more than raw grain and soybean products. It is researching ways to process raw grains into basic components--starches, proteins, oils, germs, and bran--to open up direct markets with manufacturers of convenience, snack, and frozen foods and of specialty meat products. Research is also being directed toward finding new uses and new products for grain in livestock feeding and in industrial markets. This regional is also working with a grain commission and a wheat growers' association to determine the feasibility of using high protein residue from wheat--now used in animal feeds--in human foods, and is exploring the possibility of using grain alcohol as an additive in fuels instead of tetraethyl lead as a step in reducing air pollution.



### Processing Activities

In recent years several regional grain cooperatives have improved opportunities for savings to members by moving into the processing of grain and soybeans.

#### Soybean Processing

At present six regionals have nine soybean processing plants with individual capacities ranging from 450 to 2,100 tons of beans a day. Three plants produce refined oil and two of these have hydrogenation facilities.

Farmers Union Grain Terminal Association (GTA), St. Paul, Minn., operates one of the largest soybean processing plants in the country at Mankato, Minn. This plant produces high protein meal and refined oil. The hydrogenized oil plant has been recently expanded. They also produce soy flour for industrial purposes.

Riceland Foods, Inc., Stuttgart, Ark., has three soybean processing plants, two at Stuttgart and one at Helena, Ark. The cooperative produces finished oil ready for table use and has doubled the capacity of its oil packaging plant in New Orleans. A hydrogenation plant has been completed to produce hardened oil. A winterizing and packaging plant also has been completed.

Far-Mar-Co, Hutchinson, Kans., operates an 850-ton-a-day soybean plant at St. Joseph, Mo. In addition to producing meal and degummed oil, this facility will be expanded to include a new soy flour plant.





Such flour will be used in developing applications for textured protein products at their new laboratory in Hutchinson.

Missouri Farmers Association, Columbia, operates a 900-ton-a-day soybean plant at Mexico, Mo. This plant can produce high protein meal and degummed oil.

Farmers Grain Dealers Association, Des Moines, Iowa, has merged with North Iowa Soybean Cooperative and processes soybeans at its Mason City plant.

Gold Kist, Inc., Atlanta, Ga., has a large soybean processing plant and terminal elevator at Valdosta. Equipment has been added to further process oil.

#### Other Processing

In addition to processing soybeans, GTA operates one of the largest flaxseed processing plants in the country at Fridley, Minn.; malt houses in Milwaukee, Wis., and Winona, Minn.; and a semolina mill at Rush City, Minn. These plants provide additional outlets for members who grow flax, barley, and durum wheat.

Michigan Elevator Exchange, a division of Michigan Farm Bureau Services, Lansing, operates a flour mill at Quincy, Mich. Agway, Inc., Syracuse, operates a flour mill at Churchville, N.Y.

Far-Mar-Co has recently enlarged its bulgur plant at Hutchinson to process 120 million pounds of wheat annually. Most of the bulgur is exported.



Several of the grain regionals have numerous feed mills that serve members and provide additional opportunities for savings.

### Export Facilities

In order to improve sales opportunities and enhance returns to producers, many grain regionals operate export elevators at important deep water ports and have built barge-loading facilities at various river locations.

Figure 2 shows these ports on the Great Lakes, Atlantic and Pacific Oceans, and the Gulf of Mexico, as well as the important barge loading points on the inland waterways. Many of the facilities at exporting points have been enlarged and modernized in recent years, and improvements for others are planned.

These export facilities are briefly described here by geographic area.

#### Great Lakes

Indiana Grain Cooperative, Indianapolis, operates the 6.7-million-bushel Gateway elevator at Chicago.

Mid-States Terminals, Toledo, Ohio, owned by regionals in Indiana, Michigan, and Ohio, has modernized and expanded its Toledo elevator to 4.8 million bushels.

Michigan Elevator Exchange has finished its fifth year of operation at its 2.2-million-bushel elevator at Zilwaukee.

GTA exports millions of bushels of grain through its 18.4-million-bushel elevator at Superior, Wis.



FIG. 2-- COOPERATIVE GRAIN FACILITIES LOCATED ON WATER, 1972



1. For-Mor-Co
2. Farmers Union Grain Terminal Association
3. Illinois Grain Corporation
4. Indiana Grain Cooperative
5. Michigan Elevator Exchange
6. Missouri Farmers Association
7. North Pacific Grain Growers
8. Producers Grain Corporation
9. Union Equity Cooperative Exchange
10. Farmers Grain Dealers Association of Iowa
11. Riceland Foods, Inc. and Arkansas Rice Growers Cooperative Association
12. Kansas City Terminal Elevator
13. Mid-States Terminal, Inc.
14. St. Louis Grain Corporation
15. Farmers Export Company
16. Southern States Cooperative
17. Gold Kist, Inc.



### Atlantic Coast

Indiana Grain Cooperative, Indianapolis, has a 4-million-bushel export terminal at Baltimore, Md. Trainload shipments of grain are made to this port elevator from Indianapolis and Red Key.

### Pacific Coast

North Pacific Grain Growers, Portland, Oreg., operates a 4-million-bushel export elevator at Kalama, Wash.

### Gulf Coast

Producers Grain Corporation, Amarillo, Tex., has a 6.4-million-bushel export elevator at Corpus Christi.

Union Equity Cooperative Exchange, Enid, Okla., operates a 6.5-million-bushel export elevator at Deer Park, Tex., near Houston.

Farmers Export Company, Kansas City, Mo., constructed a 5-million-bushel export elevator at New Orleans that began operations in the fall of 1968. Membership of this cooperative is made up of five Midwest grain regionals having barge shipping facilities, plus MFC Services, Jackson, Miss., and Tennessee Farmers Cooperative, LaVergne, Tenn.

### Rivers

All the regionals with territory adjacent to the Missouri, Mississippi, Illinois, and Columbia Rivers operate barge loading facilities in conjunction with their export operations, thus taking





advantage of lower transportation costs. Several regional cooperatives own or lease barges in order to have them available when needed.

### Railroads

Some regionals not located on or near barge loading facilities have turned to buying or leasing railcars. They have been sending trainloads of about 100 hopper cars of grain to export facilities. Although trainload rates are higher than most barge rates, they are substantially lower than single and multicar rail rates.

### Coordination Efforts

There have been three mergers of regional cooperatives in recent years. In Illinois, United Grain Company, Champaign, merged with Illinois Grain Corporation, Chicago. The Farmers Union Terminal Elevator, Denver, Colo., and Farmers Union Cooperative Elevator Association, Omaha, Nebr., merged with Farmers Union Cooperative Marketing Association, Kansas City, Mo.

A major merger of regionals then took place June 1, 1968. Equity Union, Lincoln, Nebr.; Westcentral, Omaha, Nebr.; Farmers Cooperative Commission Co., Hutchinson, Kans.; and Farmers Union Cooperative Marketing Association, Kansas City, Mo. merged under the name of Far-Mar-Co, Inc., with headquarters in Hutchinson.

Other examples of cooperatives working together include the joint operation of terminal elevators by two or more regional cooperatives in Kansas City, St. Louis, Toledo, and Ama, La. These terminal elevators are discussed in a subsequent section, Federation of Regionals.



The National Federation of Grain Cooperatives is one of the best examples of regional grain cooperatives working together. Most of the grain regionals are members. This organization provides the medium through which regionals exchange information, develop ideas and initiate action for improvement in cooperative marketing, and embark on joint enterprises.

STORAGE CAPACITY

The subterminal and terminal storage capacity of regional grain cooperatives totals over 385 million bushels, 28 percent more than in 1962 (table 1). Total capacity increased rather rapidly from 1948 to 1966. Since then the rate of increase has diminished (appendix table A). This reflects the tendency for a large portion of grain to move directly from country elevators to export and to processors rather than through a terminal.

Table 1.--Total grain storage capacity of regional grain cooperatives, 1962-1971<sup>1/</sup>

| Fiscal year<br>ending | : | Storage<br>capacity  | : | Index             |
|-----------------------|---|----------------------|---|-------------------|
|                       |   | <u>1,000 bushels</u> |   | <u>1962 = 100</u> |
| 1962                  |   | 301,643              |   | 100               |
| 1963                  |   | 315,428              |   | 105               |
| 1964                  |   | 339,918              |   | 113               |
| 1965                  |   | 341,593              |   | 113               |
| 1966                  |   | 365,407              |   | 121               |
| 1967                  |   | 371,479              |   | 123               |
| 1968                  |   | 374,249              |   | 124               |
| 1969                  |   | 383,042              |   | 127               |
| 1970                  |   | 384,364              |   | 127               |
| 1971                  |   | 385,159              |   | 128               |

<sup>1/</sup> Includes capacity of Riceland Foods that has a dual use for rice and soybeans. Excludes four federations of regionals.



In addition to the storage provided by regionals, four federations of regionals have terminal storage totaling slightly more than 21 million bushels. These terminals are located in Ama, La.; Toledo, Ohio; Kansas City, Mo.; and St. Louis, Mo. Thus, combined storage capacity of regionals at terminal and subterminal points now totals about 406 million bushels.

About 132 million bushels of this storage is on navigable waterways (figure 2). Of this total, 73 million bushels is located on interior inland waterways, 22 million bushels on or near the coast, and 37 million bushels on the Great Lakes (appendix table B).

#### GRAIN VOLUME

Total volume handled by regional grain cooperatives reached an all-time high of 1.2 billion bushels in 1971. This volume, including rice, was 76 percent greater than in 1962 but only slightly higher than the preceding year. Regional grain cooperatives as a group did not increase their volume significantly between 1966 and 1969 (table 2).



Table 2.--Total grain volume of regional grain cooperatives, 1962-1971

| Fiscal year<br>ending | Grain<br>volume <sup>1/</sup><br><u>Million bushels</u> | Index<br><u>1962 = 100</u> |
|-----------------------|---|----------------------------|
| 1962                  | 695   | 100                        |
| 1963                  | 704   | 101                        |
| 1964                  | 822   | 118                        |
| 1965                  | 889   | 128                        |
| 1966                  | 1,030   | 148                        |
| 1967                  | 980   | 141                        |
| 1968                  | 1,052   | 151                        |
| 1969                  | 1,056   | 152                        |
| 1970                  | 1,179   | 170                        |
| 1971                  | 1,224   | 176                        |

<sup>1/</sup> Includes rice and miscellaneous grains.

For purposes of analysis the United States was divided into five regions.

| Region | Principal states served by grain regionals          |
|--------|---|
| I      | Ind., Ohio, Ky., Mich., N.Y., N.J., and Va.         |
| II     | Tenn., S.C., N.C., Ga., Ark., and Miss.             |
| III    | Minn., N.D., S.D., Iowa, Ill., Mo., Wis., and Mont. |
| IV     | Nebr., Colo., Kans., Okla., and Tex.                |
| V      | Wash., Ore., and Utah                               |

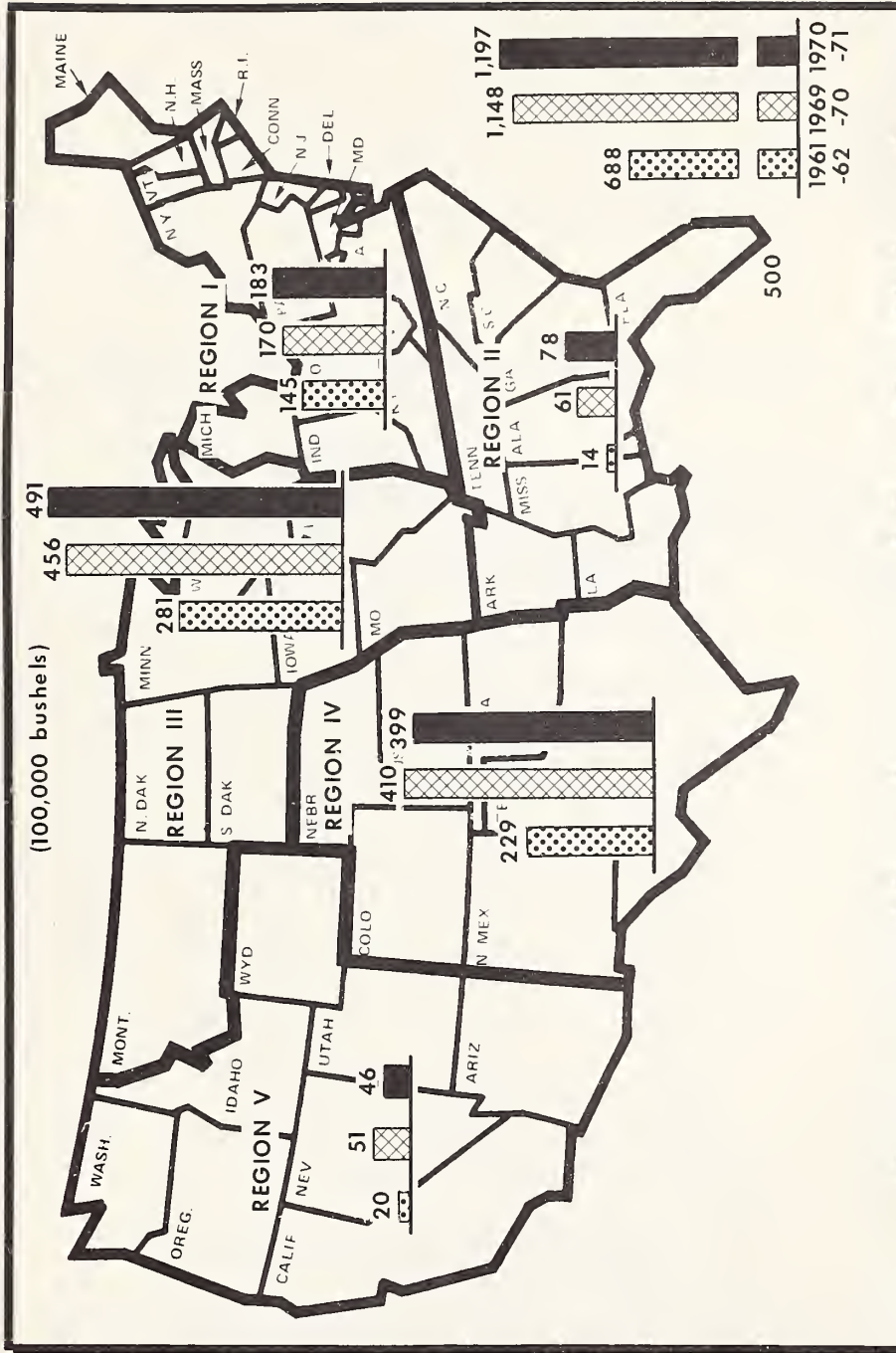
Analysis reveals that since 1962 the largest volume<sup>1/</sup> increases, in terms of actual bushels, have occurred in Regions III and IV (Figure 3). These two regions accounted for about three-fourths of the total increase from 1962 to 1971. The magnitude of increase,

<sup>1/</sup> Excludes rice and miscellaneous grains.





# GRAIN HANDLED BY REGIONAL GRAIN COOPERATIVES, 1961-62, 1969-70 AND 1970-71<sup>1/</sup>



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<sup>1/</sup> Does not include rice, millet, and buckwheat.

Figure 3



however, was greatest for Region II. Volumes handled by regionals in Regions IV and V declined slightly from 1970 to 1971.

Corn, soybeans, and wheat accounted for most of the increase in grain volume for the last 10 years (appendix table C). Grain sorghum also increased significantly. The percentage increase for grain sorghum was 387 percent; soybeans 134 percent, corn 99 percent; and wheat 28 percent (table 3).

Table 3.--Change in grain volume handled by regional grain cooperatives, 1961-62 to 1970-71

| Kind of grain | Grain volume handled      |          | Change from 1961-62 to 1970-71 |            |
|---------------|---------------------------|----------|--------------------------------|------------|
|               | 1961-62                   | 1970-71  |                                |            |
|               | -----Million bushels----- |          |                                | Percent    |
| Wheat         | 324                       | 414      | +90                            | +28        |
| Corn          | 161                       | 320      | +159                           | +99        |
| Oats          | 26                        | 32       | +6                             | +23        |
| Barley        | 30                        | 53       | +23                            | +77        |
| Sorghum       | 23                        | 112      | +89                            | +387       |
| Soybeans      | 110                       | 257      | +147                           | +134       |
| Rye           | 3                         | 4        | +1                             | +33        |
| Flax          | <u>11</u>                 | <u>5</u> | <u>-6</u>                      | <u>-55</u> |
| Total         | 688                       | 1,197    | +509                           | +74        |

#### VOLUME-CAPACITY RELATIONSHIPS

The ratio of grain volume to storage capacity for all grain regional cooperatives was 3.2 in 1971. It ranged from 4.1 to 8.6



for the 1939 to 1949 period (appendix table A). With large increases in storage in subsequent years the ratio dropped substantially, ranging from a high of 3.8 in 1950 to a low of 2 in both 1954 and 1958.

Storage increased from 94 million bushels in 1951, to 286 million bushels in 1961, and 385 million bushels in 1971. Regionals had only 15 million bushels of storage in 1939. Volume handled, elevator capacity, and volume-to-capacity ratio for the most recent 10 years are shown in figure 4.

#### PERCENT OF OFF-FARM SALES HANDLED

Off-farm sales of wheat, corn, oats, barley, sorghum, soybeans, rye, and flaxseed in the United States totaled 5.9 billion bushels in 1970-71 and 6.3 billion bushels in 1969-70. In comparison, such sales in 1961-62 were only 4.2 billion bushels. This indicates that considerably more grain is moving through various grain marketing channels. The volume of regional grain cooperatives compared with off-farm sales indicates the extent to which these cooperatives are continuing to maintain their share of increasing grain volumes.

#### Total by Years

All regionals in 1970-71 handled about 1.2 billion bushels of the eight major grains and oilseeds (wheat, corn, oats, barley, soybeans, sorghum, flaxseed, and rye). This is about 20 percent of total off-farm sales and compares with 18 percent in 1969-70 and 16 percent in 1961-62 (figure 5).



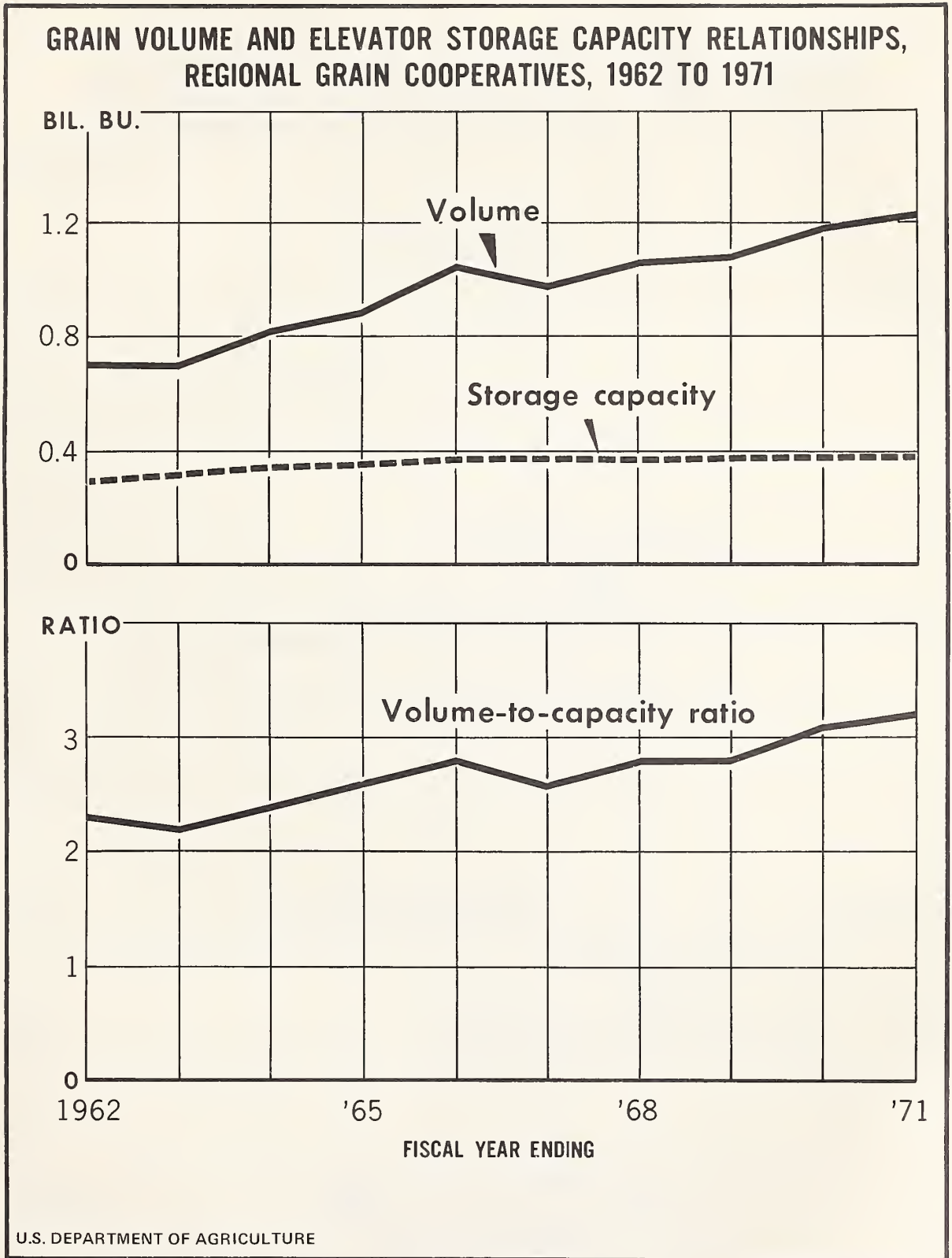
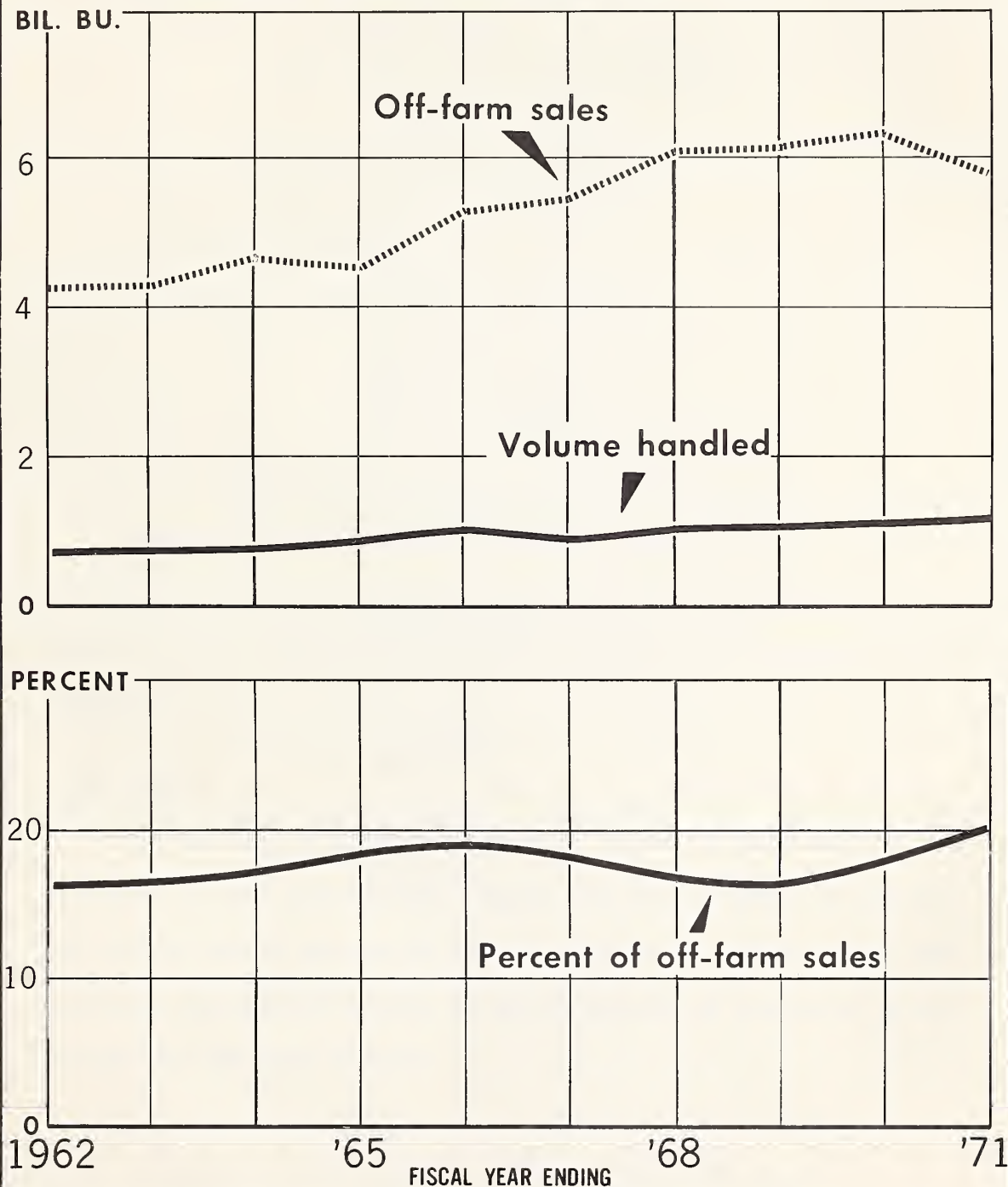


Figure 4





### U.S. OFF-FARM GRAIN SALES AND VOLUME HANDLED BY REGIONAL GRAIN COOPERATIVES, 1962 TO 1971<sup>1/</sup>



<sup>1/</sup>Grains included are: Wheat, corn, oats, barley, sorghum, soybeans, rye and flaxseed.

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Figure 5



In addition, about 26 million bushels of other kinds of grain--dry edible beans, peas, rice, millet, and buckwheat--were handled by these regionals.

In 1970-71, wheat was by far the largest volume handled by regional grain cooperatives--amounting to 414 million bushels, or 33 percent of total U.S. off-farm sales (figure 6). Corn was next at 320 million bushels, or about 14 percent of total off-farm sales. Soybean sales by regionals totaled 257 million bushels, slightly more than half of wheat sales, and 23 percent of off-farm sales. There is considerable difference in kinds of grain handled by the regionals because of differences in producing areas served.

#### Differences by Region and by Kind of Grain

Proportions of total off-farm grain sales handled by regionals differed by region of the United States and by kind of grain. There have also been significant trends during the last 10 years (appendix table D).

#### Total Grain

For the last 2 years, regionals in Region IV have handled about a fourth of farm grain sales. Region III handled about 20 percent in 1961-62 and 19 percent in 1970-71 (figure 7). Wheat, corn, and soybeans represented between 83 and 85 percent of regionals' grain volume for the last 2 years.



### PROPORTION OF TOTAL OFF-FARM GRAIN SALES HANDLED BY ALL REGIONAL GRAIN COOPERATIVES, 1970-71

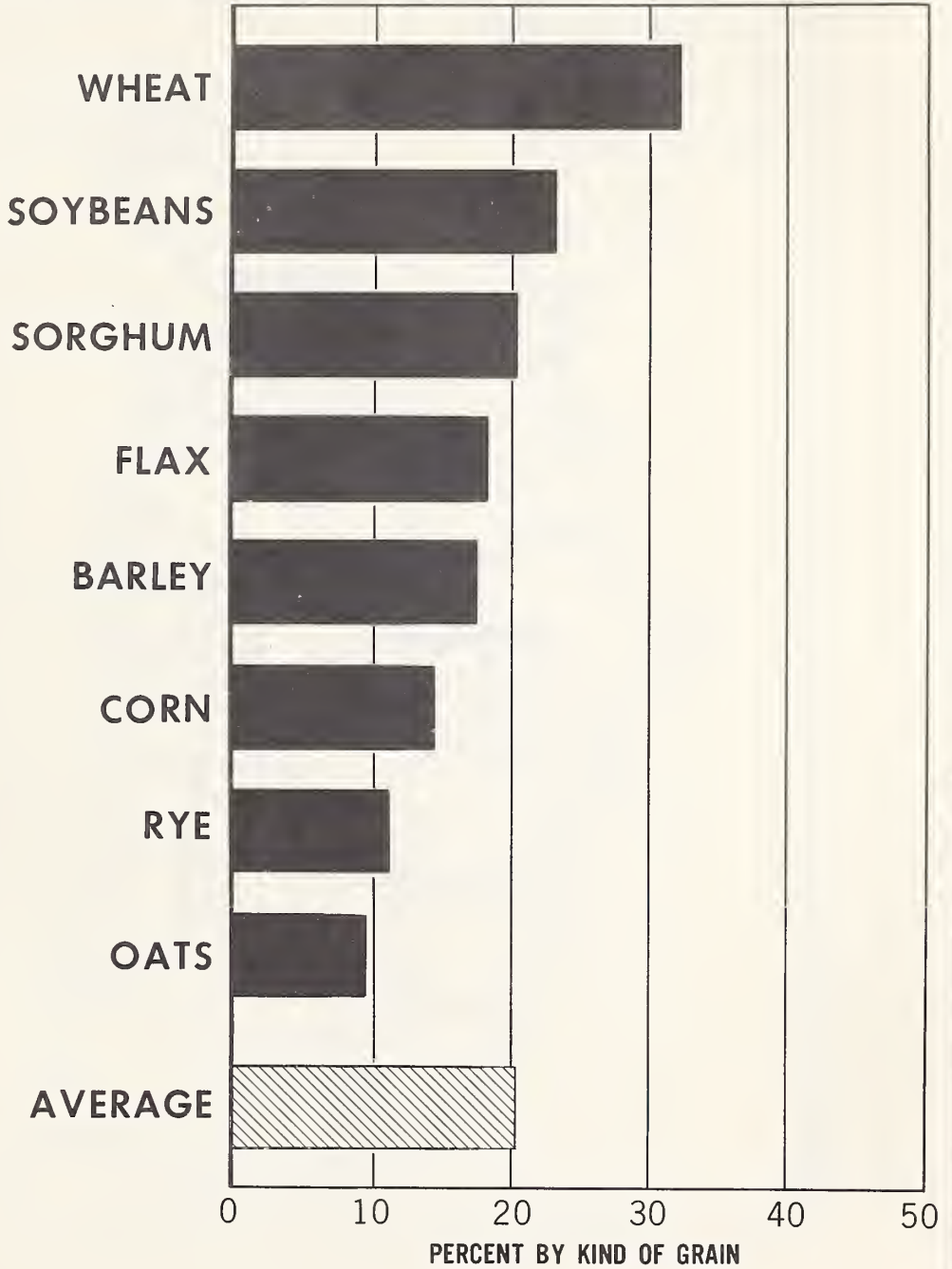
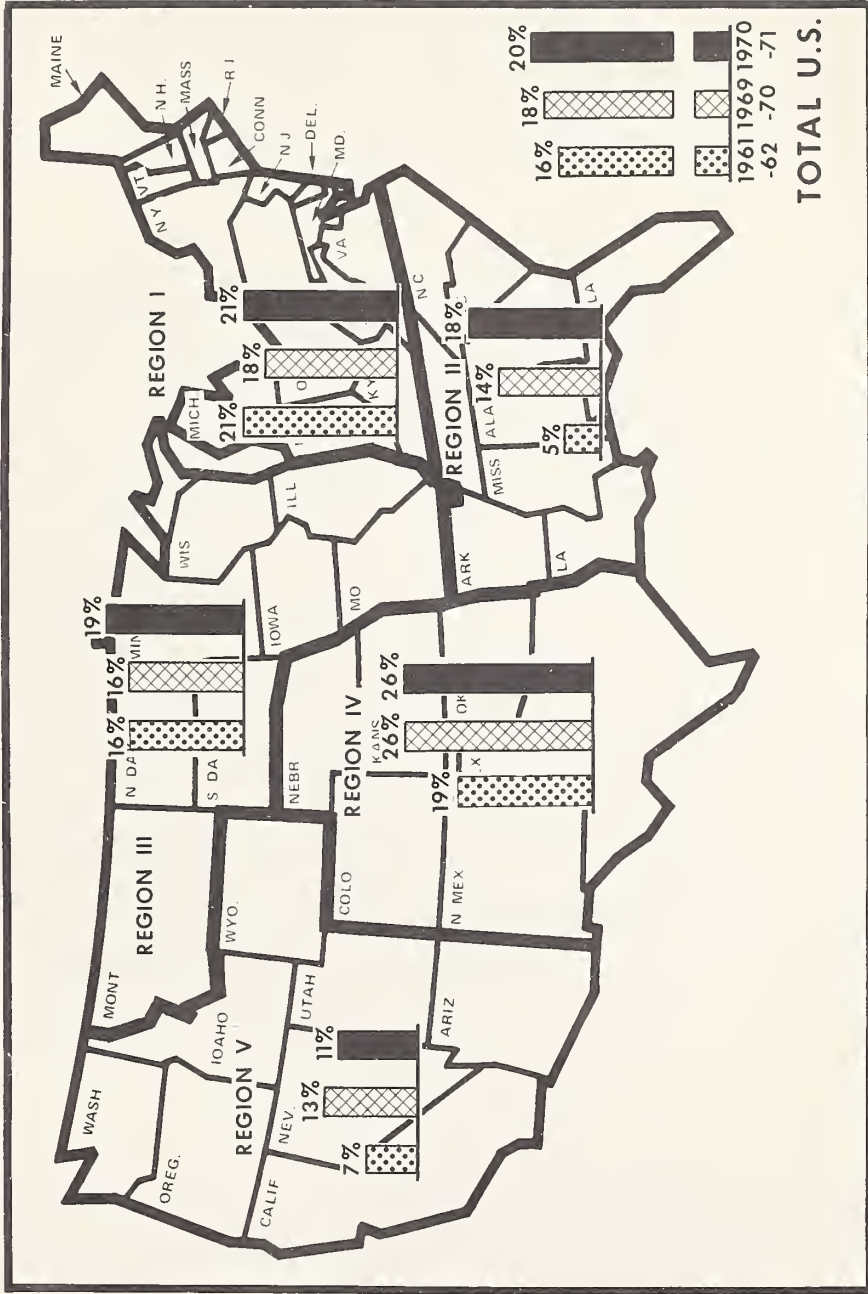


Figure 6



# PROPORTION OF TOTAL OFF-FARM GRAIN SALES HANDLED BY ALL REGIONAL GRAIN COOPERATIVES, 1961-62, 1969-70, AND 1970-71<sup>1</sup>



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<sup>1</sup>Wheat, corn, oats, barley, sorghum grain, soybeans, rye, and flaxseed.

Figure 7





### Wheat

Compared to 1961-62, the proportion of farm wheat sales handled by regionals in the last 2 years is higher for all regions except Region I. In 1970-71, Region IV handled 41 percent, the largest of any region. This compares with 33 percent for all regions.

### Corn

Grain regionals as a group have increased their percentage of farm sales from 11 percent in 1961-62 to 14 percent in 1970-71. Cooperatives in Region II handled about 23 percent of farm sales; Region I, 17 percent; and Regions III and IV, 14 and 8 percent, respectively.

### Soybeans

The volume of soybeans handled by regionals has more than doubled since 1961-62 and their proportion of farm sales also has increased significantly. In 1961-62, regionals handled 16 percent of farm sales compared with 20 percent in 1969-70 and 23 percent in 1970-71. Regionals in Region IV handled 58 percent of farm sales in 1970-71, the highest of any region.

## FINANCIAL STRUCTURE

The financial structure of regional grain cooperatives has undergone continuous expansion since 1939 when our data series began (appendix table E). Many of the regionals were organized prior to



1939, and some were the result of adding grain departments to established cooperative structures.

In recent years, several regionals have merged. Thus, the number of regional associations has changed frequently since 1939. Total dollar values within the financial structures provide better measures of growth than number of associations.

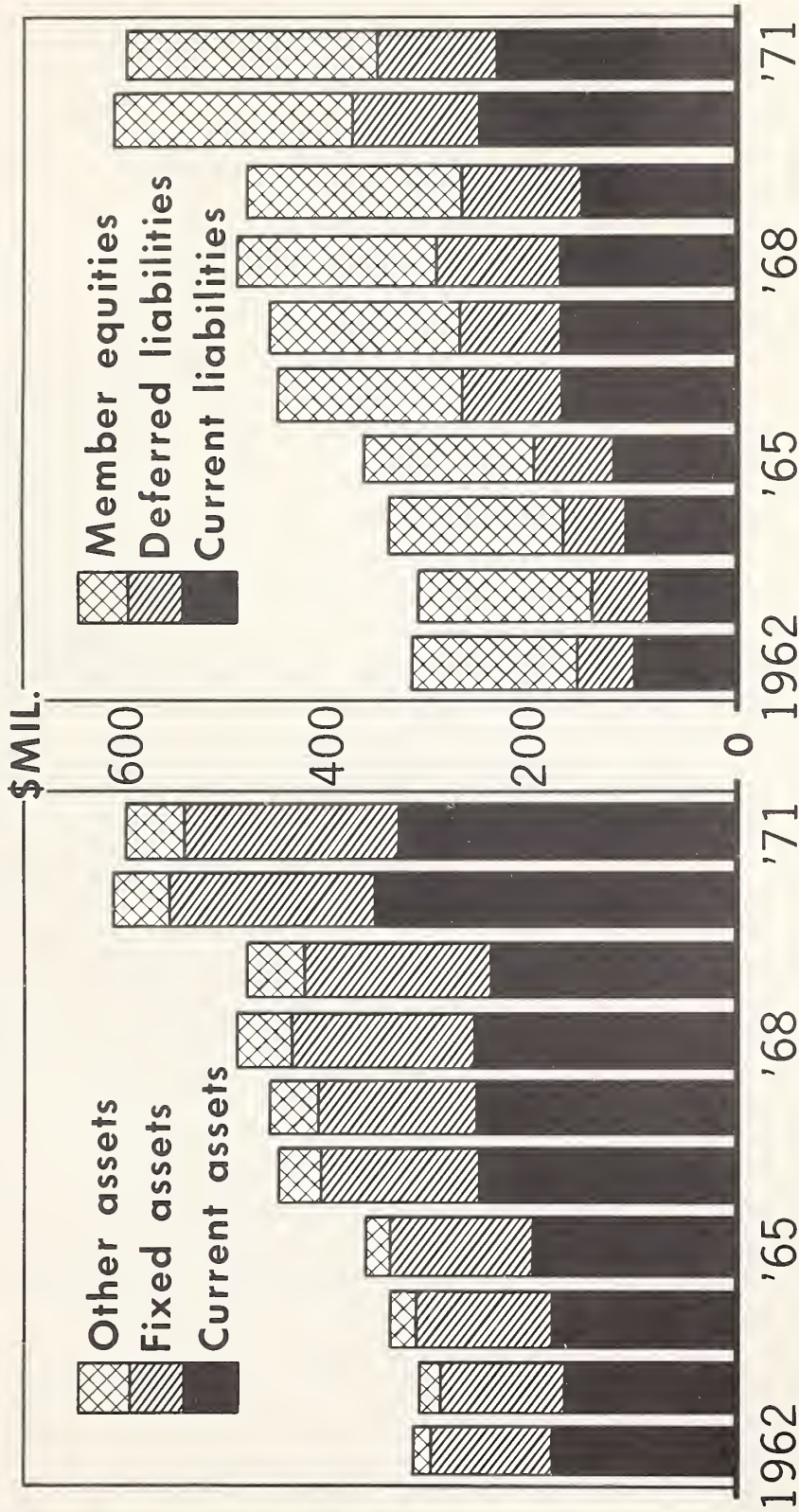
#### Assets and Liabilities

As would be expected from expanded storage facilities and increases in annual volume of grain handled, substantial changes in the combined balance sheet of all regional grain cooperatives have followed.

Current, fixed, and other assets for the 1962 to 1971 period for all regional grain cooperatives are shown in figure 8. Current assets increased substantially from 1969 to 1970 due largely to heavy inventories; 1971 current assets of \$329 million compare with \$351 million in 1970 and \$180 million in 1962 (table 4). Fixed assets increased from about \$119 million in 1962 to \$209 million in 1971, with about a fourth of the increase occurring in the last 2 years. Other assets advanced slightly over the previous year, from \$53 to \$57 million. In 1971, current assets accounted for 55 percent of total assets, and fixed and other assets, 35 percent and 10 percent, respectively, of the total.



# CONSOLIDATED BALANCE SHEET OF REGIONAL GRAIN COOPERATIVES, 1962-1971



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Figure 8



Table 4.--Combined assets, liabilities, and member equities, regional grain cooperatives, 1961-62, 1969-70, and 1970-71

| Item                                   | : 1961-62              | : 1969-70    | : 1970-71    | : 1970-71<br>: increase<br>: over<br>: 1961-62 |
|--|------------------------|--------------|--------------|--|
|  | <u>Million dollars</u> |              |              | <u>Percent</u>                                 |
| <u>Assets:</u>                         |                        |              |              |  |
| Current                                | 179.6                  | 351.4        | 328.7        | 83   |
| Fixed                                  | 119.4                  | 205.0        | 209.0        | 75   |
| Other                                  | <u>16.8</u>            | <u>53.3</u>  | <u>56.9</u>  | <u>239</u>                                     |
| Total assets                           | 315.8                  | 609.7        | 594.6        | 88   |
| <u>Liabilities:</u>                    |                        |              |              |  |
| Current                                | 98.5                   | 249.5        | 231.8        | 135  |
| Deferred                               | <u>54.4</u>            | <u>123.8</u> | <u>116.7</u> | <u>115</u>                                     |
| Total                                  | 152.9                  | 373.3        | 348.5        | 128  |
| <u>Member equities:</u>                |                        |              |              |  |
| Member capital                         | 102.5                  | 191.5        | 205.9        | 101  |
| Surplus                                | <u>60.4</u>            | <u>44.9</u>  | <u>40.2</u>  | (-)33  |
| Total                                  | <u>162.9</u>           | <u>236.4</u> | <u>246.1</u> | <u>51</u>                                      |
| Total liabilities<br>& member equities | 315.8                  | 609.7        | 594.6        | 88   |

Total liabilities have increased about 128 percent over the past 10 years, from \$153 million in 1962 to \$348 million in 1971. Current liabilities accounted for most of this, advancing from \$98 million to \$232 million over the period, though they declined slightly from \$250 million in 1970 to \$232 million in 1971. Deferred liabilities declined by \$7 million, from \$124 to \$117 million.





In 1971, member equities were equal to 35 percent of total assets compared with 32 percent in 1962. Creditors and investors are interested in this ratio, which is one indication of an association's ability to meet its long-term obligations.

Annual working capital in 1971, the difference between current assets and current liabilities, amounted to \$97 million, which is about the same as that of the preceding year (\$102 million), and compares with \$81 million in 1962.

Appendix table E shows the consolidated balance sheet for all regional grain cooperatives for the 1939-71 period.

#### Net Margins

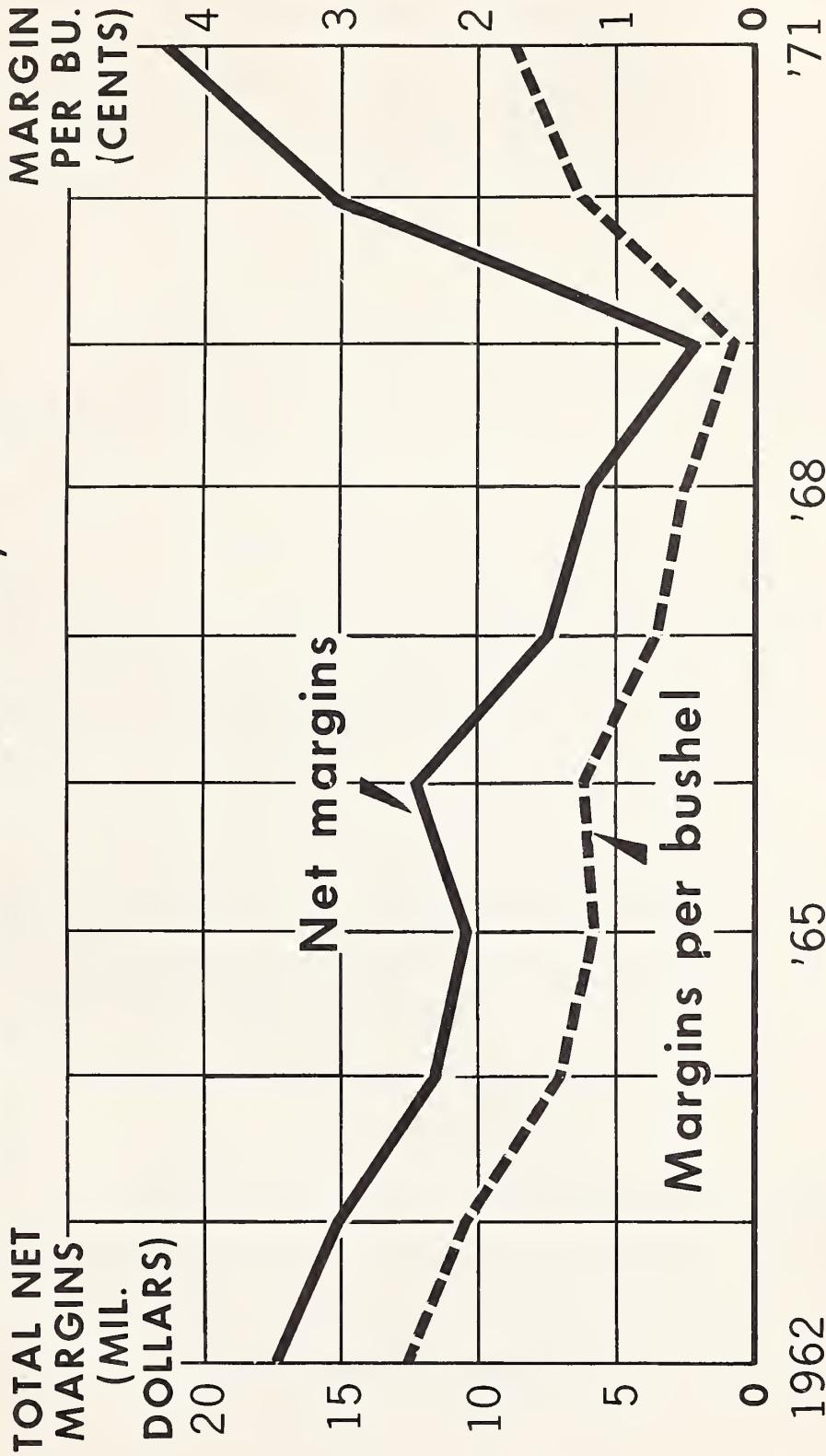
During the period 1939 to 1971, net margins per bushel climbed for the first 9 years then leveled off (appendix table F). Net margins per bushel averaged about 2.36 cents for the 1939-71 period.

Combined net margins for regionals declined from 1962 to 1969 and then rebounded sharply in 1970 and 1971 (figure 9). Grain volume and net margins were inversely related between 1962 and 1969.

Combined net margins reached an all-time low in 1969 of 0.20 cents a bushel then rose to 1.29 cents a bushel in 1970 and to 1.77 cents in 1971.



# COMBINED NET MARGINS OF REGIONAL GRAIN COOPERATIVES, 1962-71



FISCAL YEAR ENDING

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Figure 9



FEDERATION OF REGIONALS

This report excludes data for the four federations of regionals in order to avoid duplication of grain volume. A brief description of their organization relationships with other regionals and their elevator facilities follows:

1. Kansas City Terminal Elevator, with headquarters in Kansas City, Mo., is owned jointly by the Missouri Farmers Association and Far-Mar-Co and has about 8.6 million bushels of storage in Kansas City.
2. St. Louis Grain Corporation, with headquarters in St. Louis, Mo., is owned jointly by the Illinois Grain Corporation, Missouri Farmers Association, Farmers Union Grain Terminal Association, and the Farmers Grain Dealers Association of Iowa. It has about 4.7 million bushels of storage.
3. The Farmers Export Company, with headquarters at Kansas City, Mo., has a 5-million-bushel elevator for exporting grain at New Orleans. It is owned and operated by Far-Mar-Co, Missouri Farmers Association, Farmers Union Grain Terminal Association, Farmers Grain Dealers Association of Iowa, Illinois Grain Corporation, MFC Services, and Tennessee Farmers Cooperative.
4. Mid-States Terminals, Inc., with headquarters at Toledo, Ohio, and about 4.8 million bushels of storage is owned jointly by the Ohio Farmers Grain Corporation, Landmark, Inc., Indiana Grain Cooperative, and Michigan Elevator Exchange.



### A LOOK AHEAD

The existing regional grain cooperatives have grown rapidly over the years, are financially sound, and are operated efficiently. Through these organizations, farmers have increased their market strength at all marketing levels. Grain quality has been emphasized. Competition furnished by these organizations has reduced overall marketing margins and improved marketing practices. Thus, all grain producers have benefited.

In the years ahead, agricultural exports, especially grains and oilseed products, promise to be a growth area in which the regionals can play a significant part. The Department of Agriculture is placing emphasis on a continued expansion in sales of all farm products abroad. It is important that cooperatives pool their efforts if exports are to be expanded and increased.

In a recent survey of major cooperative exporters, FCS found one of the major problems confronting regionals was the restrictions on use of foreign vessels. Lifting such restrictions for export shipments of grain should result in lower costs and lower prices.

Other problems of regionals mentioned in this survey were:

(1) The longshoremen's strike, (2) Common Market levy on U.S. grain, (3) Government subsidy, and (4) limited sales representatives in foreign countries. One regional indicated it experienced no problems.





The greatest need at this time appears to be for sales offices that represent all grain regionals in the important grain importing regions--the Mid-East, Far East, and Western Europe.

Forces that will need careful consideration as managements of regional cooperatives adjust to changes are:

1. Increased exports of grain, oilseeds, and products in a highly competitive situation requiring more coordination between regionals, especially those with export facilities.

2. Government programs and policies, technological changes in farming, and the changing market structure, all affecting both local and regional association operations.

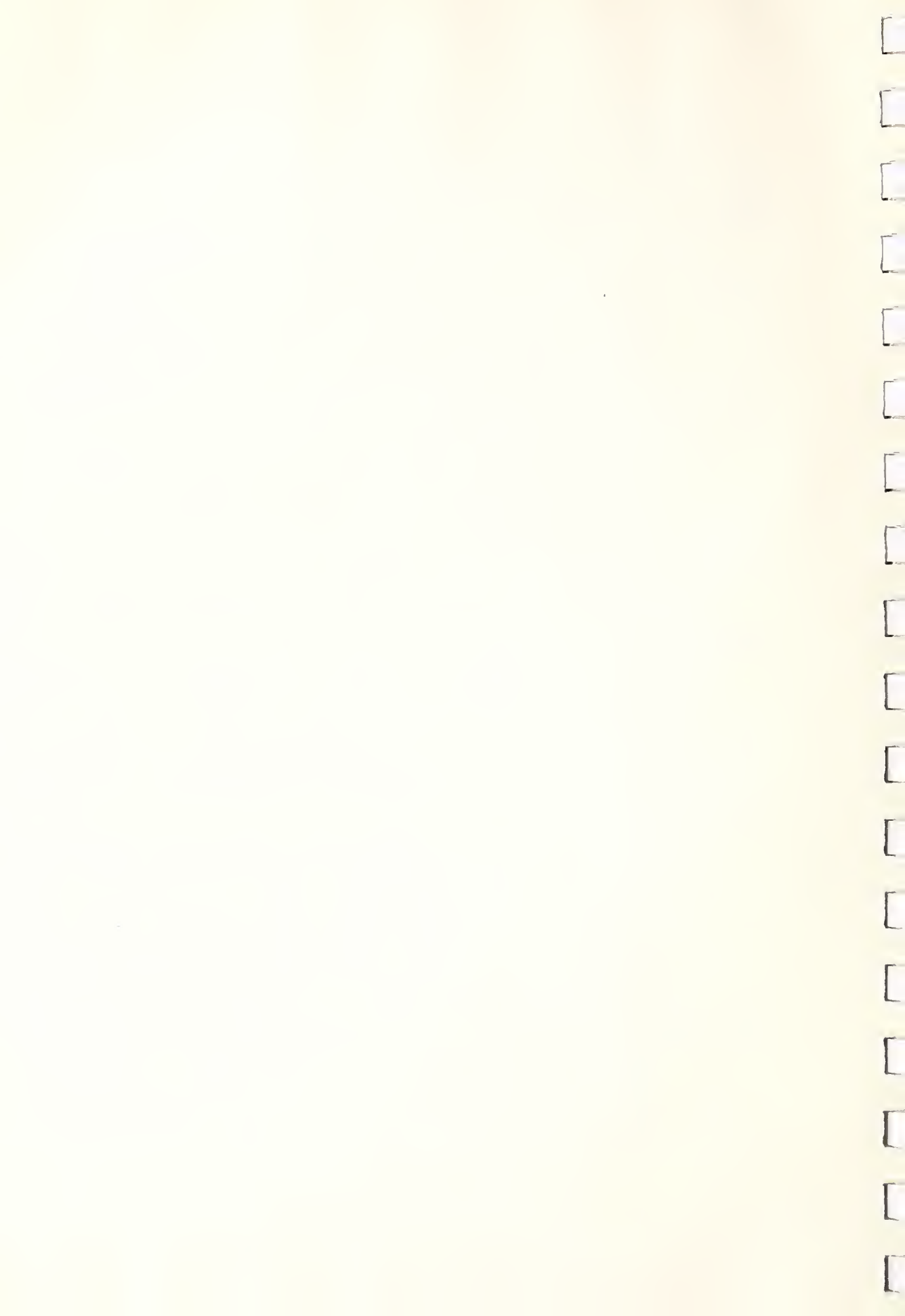
3. Changes in transportation service and rates affecting operations and the location of new facilities.

4. The need to help smaller locals in consolidating or merging their operations to better utilize facilities, improve operating efficiency, and broaden their resource base sufficiently to up-grade local management.

5. Price changes and crop conditions affecting day-to-day operations that require constant attention.

6. Standards and requirements imposed by: (a) The Clean Air Act, (b) the Clean Water Restoration Act, (c) the Occupational Safety and Health Act, and (d) the Food and Drug Administration.

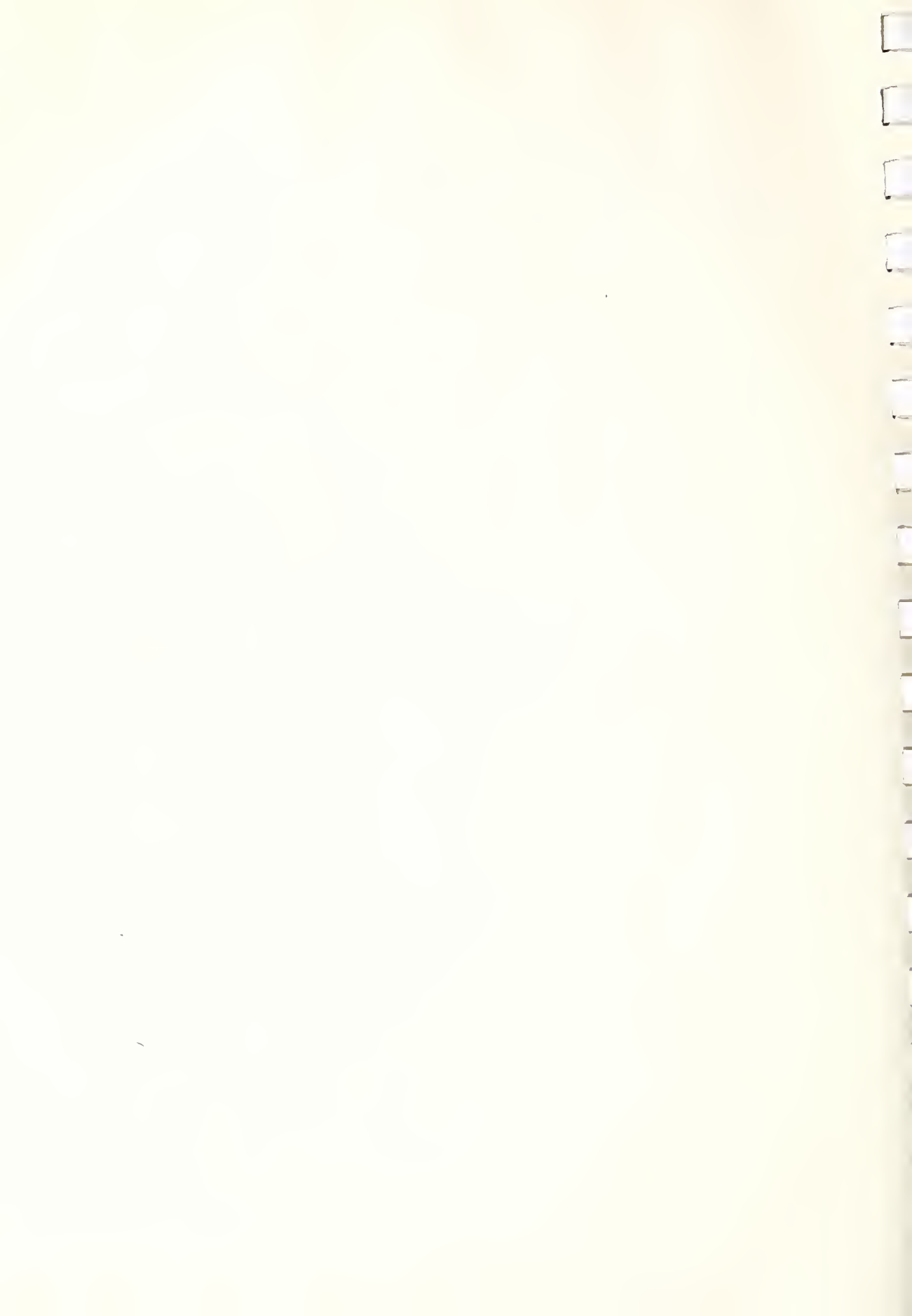
7. Reduced storage occupancy at some locations, thus reducing a major source of revenue and increasing unit operating costs.



8. New or additional services required by member associations. (Management must work more closely with local members and help them prepare to handle an ever larger and faster harvest of grain that must be conditioned before it can be stored or shipped.)

Cooperatives, in order to grow and prosper, will have to perform more services than assembling and marketing raw agricultural products. They will have to perform all or most of the functions involved in moving products from growers to consumers.

The managers and directors of regionals have demonstrated their ability to deal with problems in the past. They have worked together. This is shown by mergers and joint ownership and operation of facilities. With the existing competitive situation, regionals must work even more closely with each other in the future. Past experiences should enable them to anticipate and solve future problems.



Appendix table A.--Elevator storage capacity, grain volume handled by regional grain cooperatives, fiscal years ending 1939-1971<sup>1/</sup>

| Fiscal year ending | Elevator capacity | Volume handled <sup>2/</sup> | Ratio of volume to capacity |
|--------------------|-------------------|------------------------------|-----------------------------|
|                    | 1,000 bu.         | 1,000 bu.                    |                             |
| 1939               | 14,825            | 100,039                      | 6.7                         |
| 1940               | 18,975            | 107,381                      | 5.6                         |
| 1941               | 23,475            | 104,240                      | 4.4                         |
| 1942               | 34,455            | 141,388                      | 4.1                         |
| 1943               | 34,550            | 182,872                      | 5.3                         |
| 1944               | 33,443            | 287,875                      | 8.6                         |
| 1945               | 35,043            | 287,824                      | 8.2                         |
| 1946               | 35,543            | 293,483                      | 8.3                         |
| 1947               | 40,073            | 300,652                      | 7.5                         |
| 1948               | 45,495            | 312,146                      | 6.9                         |
| 1949               | 58,293            | 356,773                      | 6.1                         |
| 1950               | 75,823            | 288,192                      | 3.8                         |
| 1951               | 94,405            | 310,082                      | 3.3                         |
| 1952               | 95,405            | 326,802                      | 3.4                         |
| 1953               | 98,805            | 307,754                      | 3.1                         |
| 1954               | 140,975           | 282,741                      | 2.0                         |
| 1955               | 143,110           | 326,087                      | 2.3                         |
| 1956               | 149,270           | 345,282                      | 2.3                         |
| 1957               | 156,041           | 406,720                      | 2.6                         |
| 1958               | 184,294           | 375,279                      | 2.0                         |
| 1959               | 251,666           | 574,023                      | 2.3                         |
| 1960               | 268,714           | 637,020                      | 2.4                         |
| 1961               | 285,655           | 707,734                      | 2.5                         |
| 1962               | 301,643           | 695,068                      | 2.3                         |
| 1963               | 315,428           | 703,894                      | 2.2                         |
| 1964               | 339,918           | 822,328                      | 2.4                         |
| 1965               | 341,593           | 888,576                      | 2.6                         |
| 1966               | 365,407           | 1,029,687                    | 2.8                         |
| 1967               | 371,479           | 980,380                      | 2.6                         |
| 1968               | 374,249           | 1,052,198                    | 2.8                         |
| 1969               | 383,042           | 1,056,395                    | 2.8                         |
| 1970               | 384,364           | 1,179,156                    | 3.1                         |
| 1971               | 385,159           | 1,223,958                    | 3.2                         |

<sup>1/</sup> Excludes capacity and volume for federations of regionals.

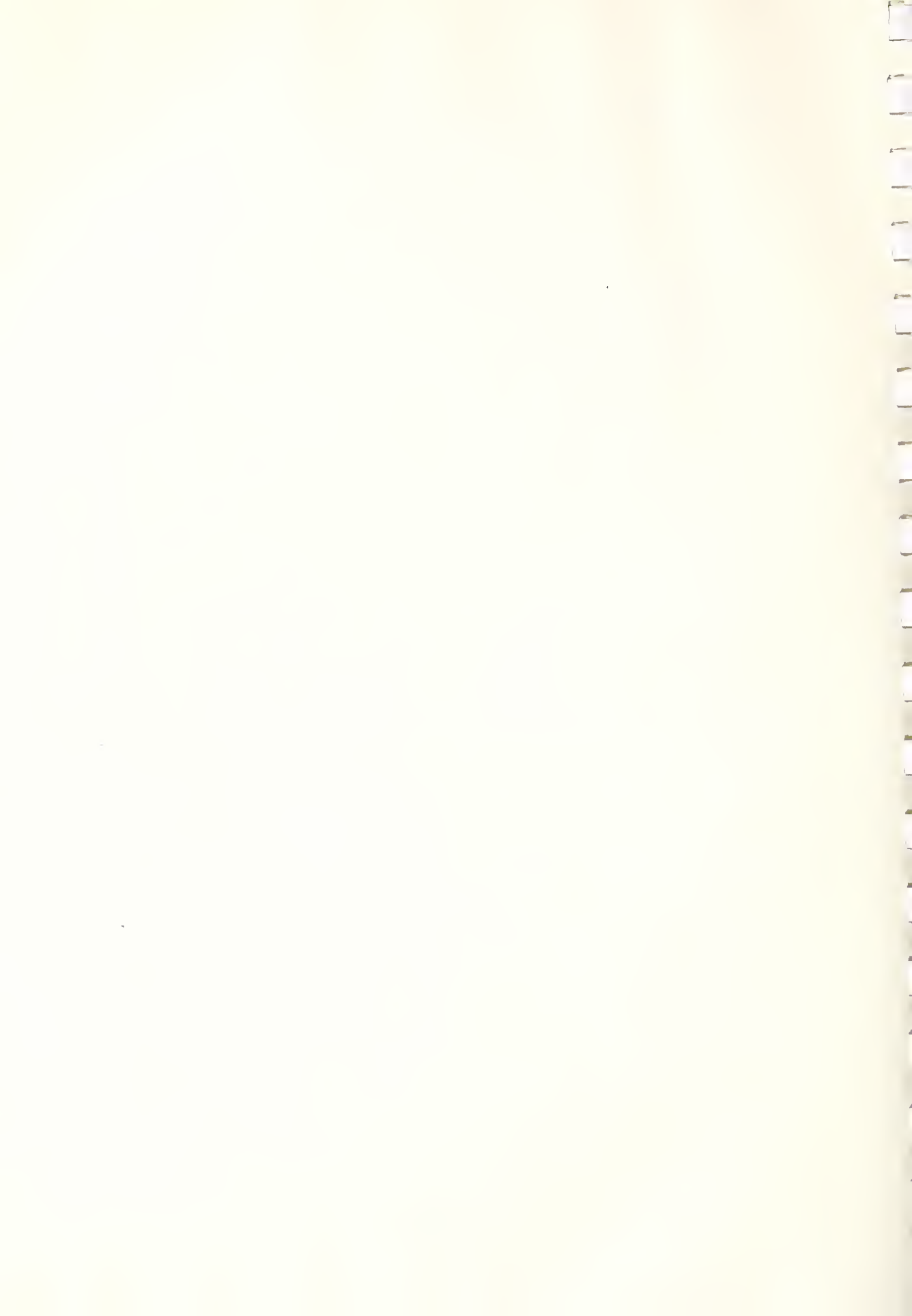
<sup>2/</sup> Includes rice and miscellaneous grains.



Appendix table B.--Capacity of cooperative grain facilities located on water, May 1972

| Name and location                        | : | Capacity         |
|--|---|------------------|
|  |   | <u>1,000 bu.</u> |
| Farmers Union Grain Terminal Association |   |                  |
| ST. PAUL, MINN.                          |   |                  |
| • Minneapolis                            |   | 6,600            |
| • Superior, Wis.                         |   | 18,400           |
| • Milwaukee, Wis.                        |   | 6,330            |
| • Sioux City, Iowa                       |   | 850              |
|  |   | <u>32,180</u>    |
| Illinois Grain Corporation               |   |                  |
| BLOOMINGTON, ILL.                        |   |                  |
| • Morris                                 |   | 300              |
| • Hennepin                               |   | 180              |
| • Lacon                                  |   | 180              |
| • Creve Coeur                            |   | 1,500            |
| • Havana                                 |   | 800              |
| • Frederick (loading point only)         |   | --               |
| • Naples                                 |   | 300              |
| • Tampa, Fla.                            |   | 165              |
|  |   | <u>3,425</u>     |
| Indiana Grain Cooperative                |   |                  |
| INDIANAPOLIS, IND.                       |   |                  |
| • Louisville, Ky.                        |   | 2,500            |
| • Baltimore, Md.                         |   | 4,000            |
| • Chicago, Ill.                          |   | 6,750            |
|  |   | <u>13,250</u>    |
| Michigan Elevator Exchange               |   |                  |
| LANSING, MICH.                           |   |                  |
| • Zilwaukee                              |   | 2,250            |
| Missouri Farmers Association             |   |                  |
| COLUMBIA, MO.                            |   |                  |
| • Caruthersville                         |   | 875              |
| • Hannibal                               |   | 1,304            |
| • Louisiana                              |   | 1,600            |
| • Glasgow                                |   | 950              |
| • Miami                                  |   | 80               |
| • Lexington                              |   | 553              |
| • Waverly                                |   | 325              |
|  |   | <u>5,687</u>     |

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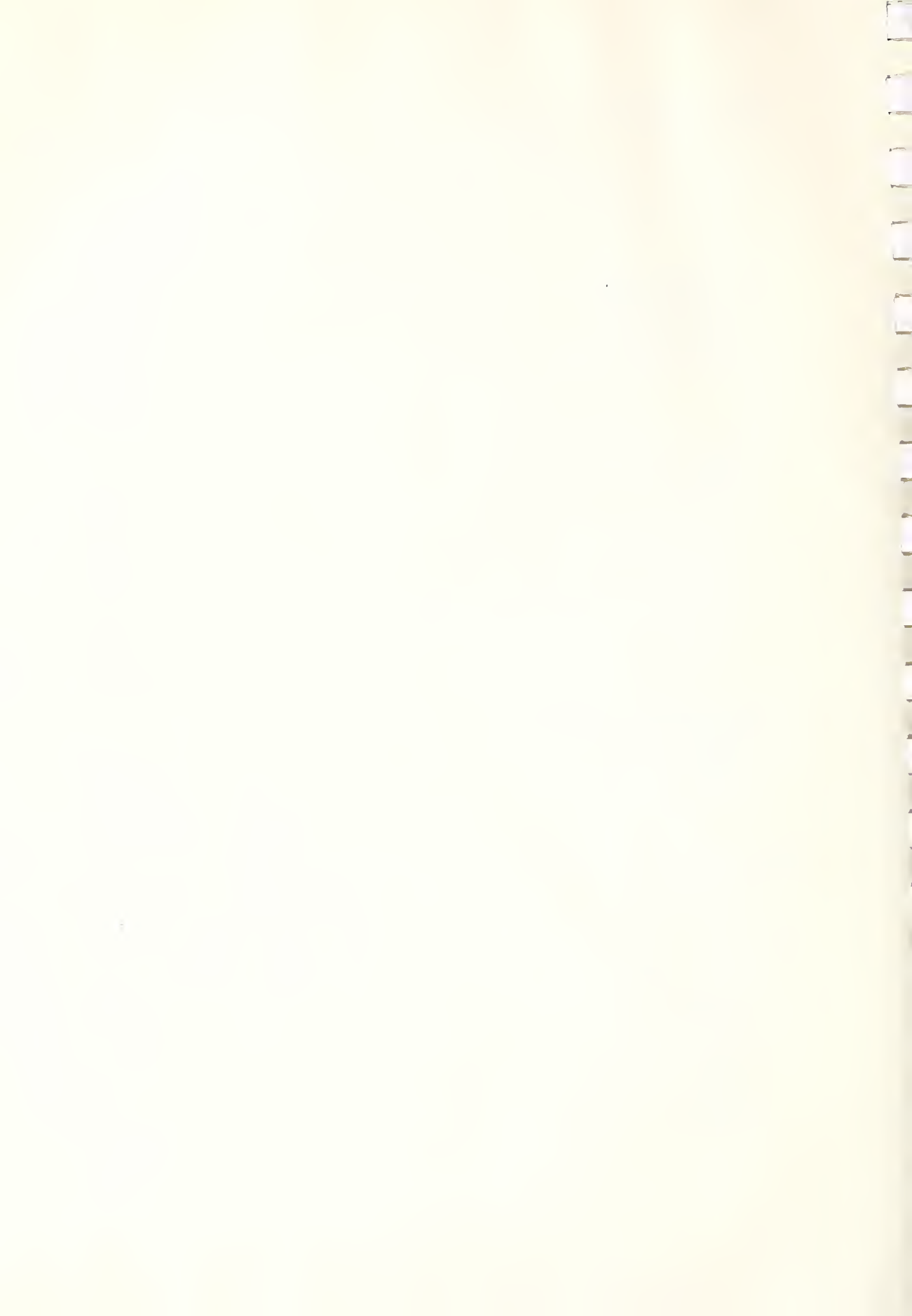




Appendix table B.--Capacity of cooperative grain facilities located on water, May 1972

| Name and location                        | Capacity         |
|--|------------------|
|  | <u>1,000 bu.</u> |
| Farmers Union Grain Terminal Association |                  |
| ST. PAUL, MINN.                          |                  |
| • Minneapolis                            | 6,600            |
| • Superior, Wis.                         | 18,400           |
| • Milwaukee, Wis.                        | 6,330            |
| • Sioux City, Iowa                       | 850              |
|  | <u>32,180</u>    |
| Illinois Grain Corporation               |                  |
| BLOOMINGTON, ILL.                        |                  |
| • Morris                                 | 300              |
| • Hennepin                               | 180              |
| • Lacon                                  | 180              |
| • Creve Coeur                            | 1,500            |
| • Havana                                 | 800              |
| • Frederick (loading point only)         | --               |
| • Naples                                 | 300              |
| • Tampa, Fla.                            | 165              |
|  | <u>3,425</u>     |
| Indiana Grain Cooperative                |                  |
| INDIANAPOLIS, IND.                       |                  |
| • Louisville, Ky.                        | 2,500            |
| • Baltimore, Md.                         | 4,000            |
| • Chicago, Ill.                          | 6,750            |
|  | <u>13,250</u>    |
| Michigan Elevator Exchange               |                  |
| LANSING, MICH.                           |                  |
| • Zilwaukee                              | 2,250            |
| Missouri Farmers Association             |                  |
| COLUMBIA, MO.                            |                  |
| • Caruthersville                         | 875              |
| • Hannibal                               | 1,304            |
| • Louisiana                              | 1,600            |
| • Glasgow                                | 950              |
| • Miami                                  | 80               |
| • Lexington                              | 553              |
| • Waverly                                | 325              |
|  | <u>5,687</u>     |

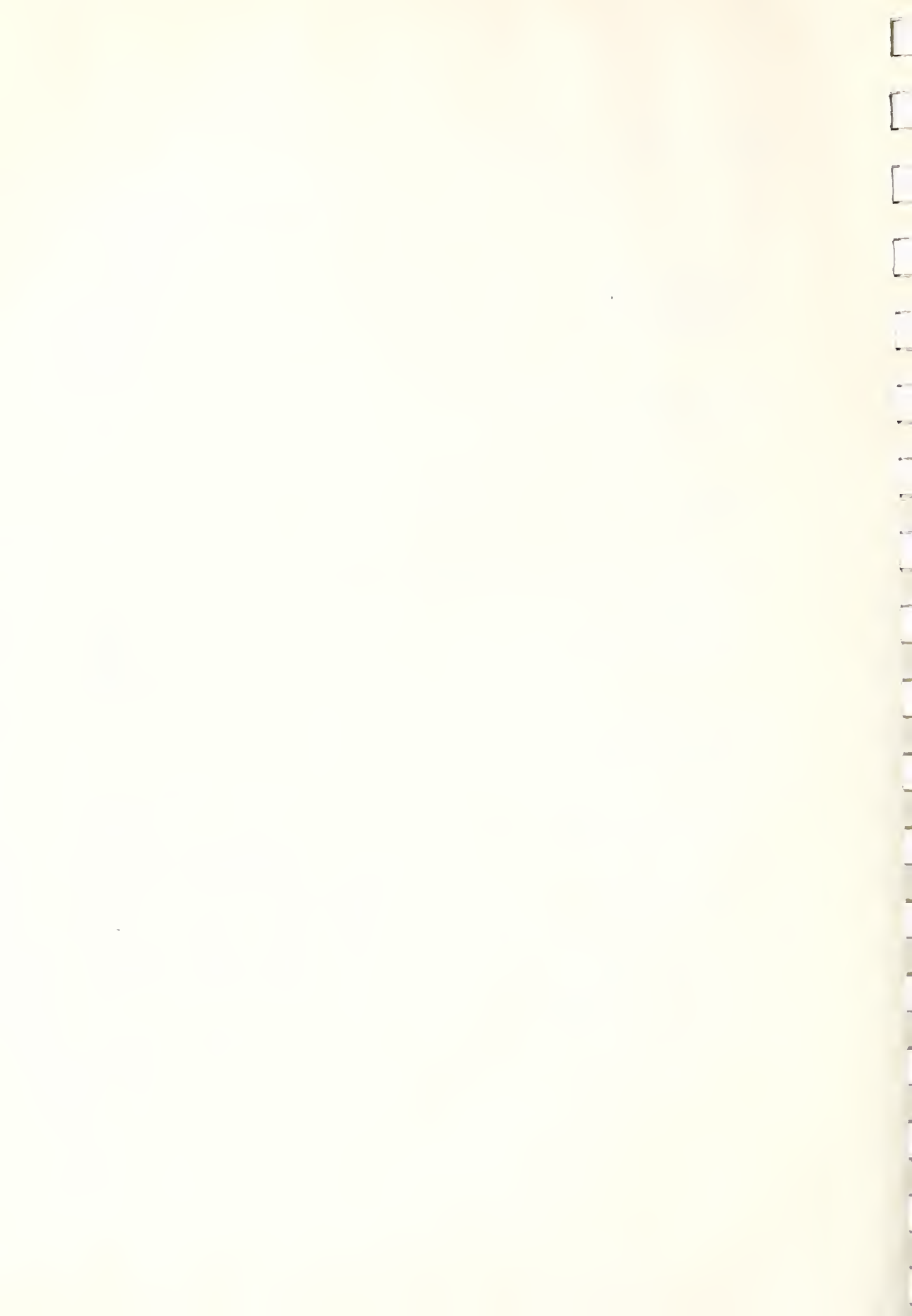
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Appendix table B.--Continued

| Name and location                         | : | Capacity         |
|---|---|------------------|
|   | : | <u>1,000 bu.</u> |
| North Pacific Grain Growers               |   |                  |
| PORTLAND, OREG.                           |   |                  |
| • Kalama, Wash.                           |   | 4,000            |
| • Kennewick, Wash.                        |   | <u>3,900</u>     |
|   |   | 7,900            |
| Producers Grain Corporation               |   |                  |
| AMARILLO, TEX.                            |   |                  |
| • Corpus Christi                          |   | 6,392            |
| Union Equity Cooperative Exchange         |   |                  |
| ENID, OKLA.                               |   |                  |
| • Houston, Tex.                           |   | 6,500            |
| Farmers Grain Dealers Association of Iowa |   |                  |
| DES MOINES, IOWA                          |   |                  |
| • McGregor                                |   | 500              |
| • Meekers Landing                         |   | 820              |
| • Muscatine                               |   | <u>500</u>       |
|   |   | 1,820            |
| Riceland Foods, Inc.                      |   |                  |
| STUTTGART, ARK.                           |   |                  |
| • Helena                                  |   | 7,200            |
| *Kansas City Terminal Elevator            |   |                  |
| • KANSAS CITY, MO.                        |   | 4,414            |
| *Mid-States Terminal, Inc.                |   |                  |
| • TOLEDO, OHIO                            |   | 4,800            |
| *St. Louis Grain Corporation              |   |                  |
| • ST. LOUIS, MO.                          |   | 4,750            |
| *Farmers Export Company                   |   |                  |
| • NEW ORLEANS, LA.                        |   | 5,000            |

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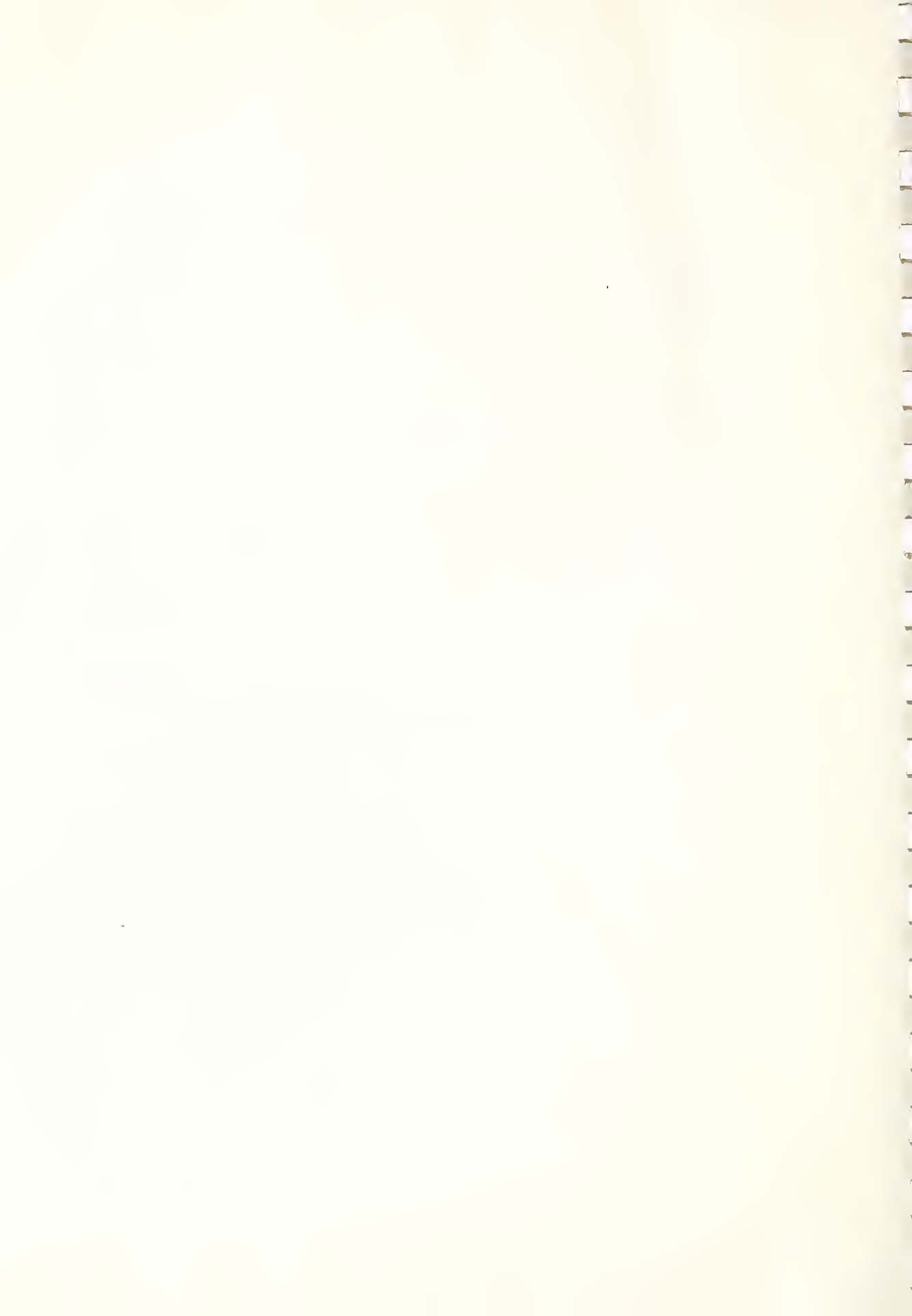


Appendix table B.--Continued

| Name and location                 | : | Capacity              |
|-----------------------------------|---|-----------------------|
|                                   | : | <u>1,000 bu.</u>      |
| Southern States Cooperative, Inc. |   |                       |
| RICHMOND, VA.                     |   |                       |
| • Kilmarnock                      |   | 180                   |
| • Baltimore, Md.                  |   | <u>270</u>            |
|                                   |   | 450                   |
| Gold Kist, Inc.                   |   |                       |
| ATLANTA, GA.                      |   |                       |
| • Guntersville, Ala. (feed mill)  |   | 200                   |
| Far-Mar-Co                        |   |                       |
| HUTCHINSON, KANS.                 |   |                       |
| • Omaha, Nebr.                    |   | 2,602                 |
| • Rock Bluff, Nebr.               |   | 258                   |
| • St. Joseph, Mo.                 |   | 9,234                 |
| • Kansas City, Kans.              |   | <u>11,350</u>         |
|                                   |   | 23,444                |
| Total, U.S.                       |   | <u><u>129,662</u></u> |

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\*A federation of regionals.



Appendix table C.--Total grain volume handled by regional grain cooperatives, by regions, 1961-62, 1969-70 and 1970-71<sup>1/</sup>

| Year & kind:<br>of grain | Region               |               |                |                |               | Total            |
|--------------------------|----------------------|---------------|----------------|----------------|---------------|------------------|
|                          | I                    | II            | III            | IV             | V             |                  |
|                          | <u>1,000 bushels</u> |               |                |                |               |                  |
| <u>1970-71</u>           |                      |               |                |                |               |                  |
| Wheat                    | 25,334               | 2,880         | 106,414        | 242,603        | 36,997        | 414,228          |
| Corn                     | 84,347               | 20,588        | 186,233        | 28,333         | --            | 319,501          |
| Oats                     | 5,555                | 2,559         | 23,202         | 775            | 238           | 32,329           |
| Barley                   | 803                  | 473           | 39,433         | 3,498          | 8,915         | 53,122           |
| Sorghum                  | 221                  | 8,239         | 4,028          | 99,587         | --            | 112,075          |
| Soybeans                 | 66,357               | 42,808        | 125,407        | 22,894         | --            | 257,466          |
| Rye                      | 905                  | 6             | 2,040          | 751            | --            | 3,702            |
| Flaxseed                 | --                   | --            | 4,461          | 783            | --            | 5,244            |
| Total                    | <u>183,522</u>       | <u>77,553</u> | <u>491,218</u> | <u>399,224</u> | <u>46,150</u> | <u>1,197,667</u> |
| <u>1969-70</u>           |                      |               |                |                |               |                  |
| Wheat                    | 24,092               | 1,707         | 117,784        | 253,844        | 46,467        | 443,894          |
| Corn                     | 84,492               | 16,196        | 180,624        | 30,728         | --            | 312,040          |
| Oats                     | 4,991                | 1,603         | 18,021         | 637            | 138           | 25,390           |
| Barley                   | 936                  | 90            | 25,294         | 4,051          | 4,410         | 34,781           |
| Sorghum                  | --                   | 51            | 763            | 97,649         | 118           | 98,581           |
| Soybeans                 | 55,383               | 41,160        | 104,740        | 22,293         | --            | 223,576          |
| Rye                      | 630                  | --            | 2,593          | 114            | --            | 3,337            |
| Flaxseed                 | --                   | --            | 6,304          | 781            | --            | 7,085            |
| Total                    | <u>170,524</u>       | <u>60,807</u> | <u>456,123</u> | <u>410,097</u> | <u>51,133</u> | <u>1,148,684</u> |
| <u>1961-62</u>           |                      |               |                |                |               |                  |
| Wheat                    | 43,706               | 384           | 77,301         | 185,928        | 16,938        | 324,257          |
| Corn                     | 54,054               | 3,959         | 92,105         | 11,116         | --            | 161,234          |
| Oats                     | 4,956                | 703           | 20,080         | 465            | 41            | 26,245           |
| Barley                   | 792                  | 10            | 20,086         | 5,491          | 3,494         | 29,873           |
| Sorghum                  | 7                    | 1             | 227            | 22,325         | 26            | 22,586           |
| Soybeans                 | 40,346               | 8,735         | 57,696         | 2,931          | --            | 109,708          |
| Rye                      | 682                  | --            | 2,494          | 238            | --            | 3,414            |
| Flaxseed                 | --                   | --            | 10,518         | 196            | --            | 10,714           |
| Total                    | <u>144,543</u>       | <u>13,792</u> | <u>280,507</u> | <u>228,690</u> | <u>20,499</u> | <u>688,031</u>   |

<sup>1/</sup> Does not include rice and miscellaneous grain.

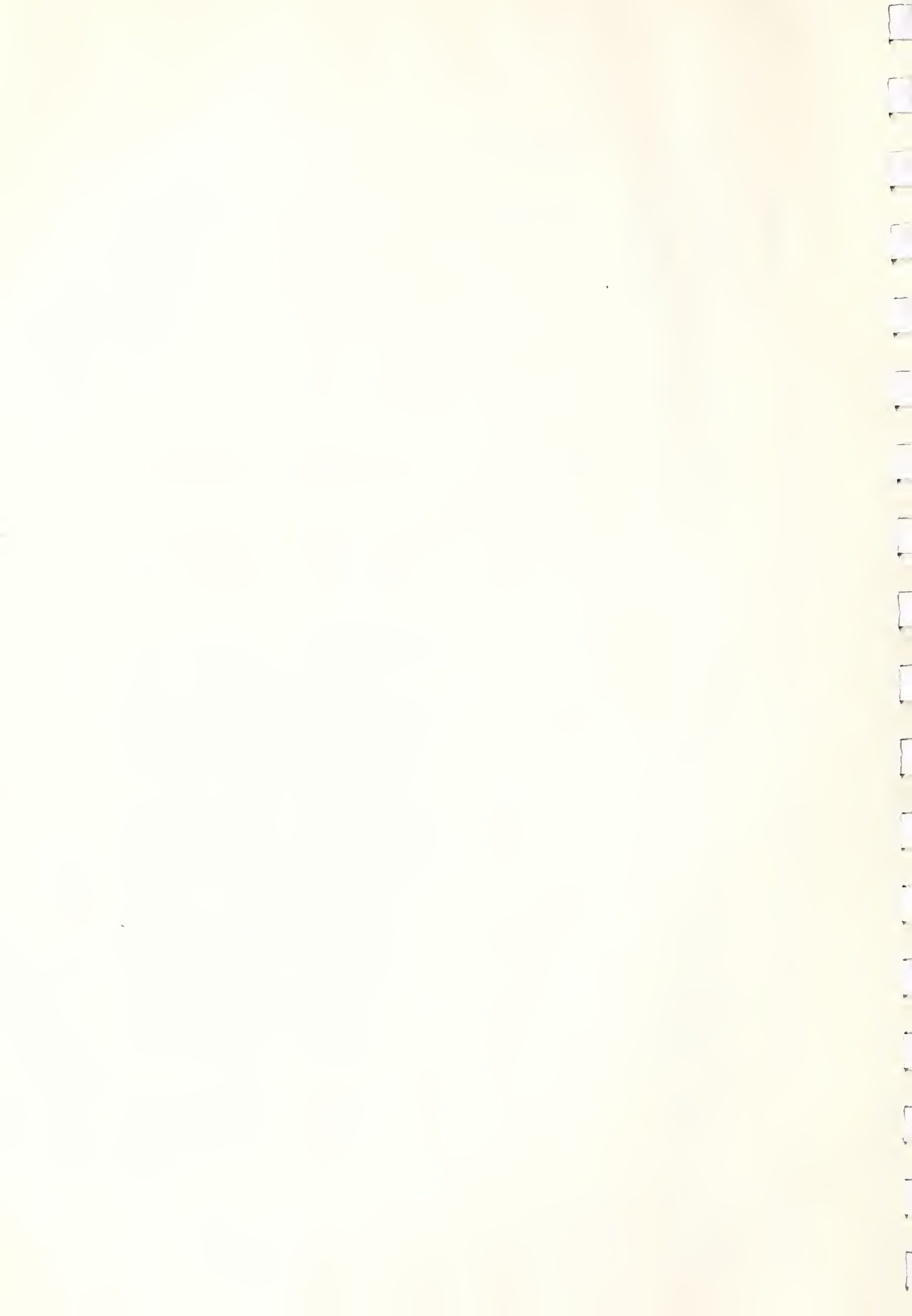




Appendix table D.--Proportion of total off-farm grain sales<sup>1/</sup> handled by all regional grain cooperatives, by regions, 1961-62, 1969-70 and 1970-71

| Year and:<br>region of:<br>the U.S.: | Wheat          |                         | Corn           |                         | Oats           |                         | Barley         |                         |         |        |      |
|--------------------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|----------------|-------------------------|---------|--------|------|
|                                      | Sold off farms | Per-cent regional farms | Sold off farms | Per-cent regional farms | Sold off farms | Per-cent regional farms | Sold off farms | Per-cent regional farms |         |        |      |
|                                      | 1,000 bu.      |                         | 1,000 bu.      |                         | 1,000 bu.      |                         | 1,000 bu.      |                         |         |        |      |
| 1970-71:                             |                |                         |                |                         |                |                         |                |                         |         |        |      |
| I                                    | 102,597        | 25,334                  | 24.7           | 84,347                  | 16.7           | 45,390                  | 5,555          | 12.2                    | 9,657   | 803    | 8.3  |
| II                                   | 32,897         | 2,880                   | 8.8            | 20,588                  | 23.3           | 13,961                  | 2,559          | 18.3                    | 1,655   | 473    | 28.6 |
| III                                  | 346,975        | 106,414                 | 30.7           | 1,282,655               | 14.5           | 244,108                 | 23,202         | 9.5                     | 126,461 | 39,433 | 31.2 |
| IV                                   | 587,661        | 242,603                 | 41.3           | 333,012                 | 8.5            | 25,551                  | 775            | 3.0                     | 32,028  | 3,498  | 10.9 |
| V                                    | 203,149        | 36,997                  | 18.2           | 26,590                  | --             | 21,820                  | 238            | 1.1                     | 127,509 | 8,915  | 7.0  |
| Total                                | 1,273,279      | 414,228                 | 32.5           | 2,236,785               | 14.3           | 350,830                 | 32,329         | 9.2                     | 297,310 | 53,122 | 17.9 |
| 1969-70:                             |                |                         |                |                         |                |                         |                |                         |         |        |      |
| I                                    | 111,589        | 24,092                  | 21.6           | 84,492                  | 14.8           | 44,734                  | 4,991          | 11.2                    | 9,207   | 936    | 10.2 |
| II                                   | 31,217         | 1,707                   | 5.5            | 16,196                  | 15.0           | 12,912                  | 1,603          | 12.4                    | 1,407   | 90     | 6.4  |
| III                                  | 430,464        | 117,784                 | 27.4           | 1,446,047               | 12.5           | 272,741                 | 18,021         | 6.6                     | 163,895 | 25,294 | 15.4 |
| IV                                   | 597,926        | 253,844                 | 42.5           | 355,691                 | 8.6            | 25,877                  | 637            | 2.5                     | 25,157  | 4,051  | 16.1 |
| V                                    | 193,711        | 46,467                  | 24.0           | 22,080                  | --             | 15,759                  | 138            | .9                      | 109,862 | 4,410  | 4.0  |
| Total                                | 1,364,907      | 443,894                 | 32.5           | 2,501,485               | 12.5           | 372,023                 | 25,390         | 6.8                     | 309,528 | 34,781 | 11.2 |
| 1961-62:                             |                |                         |                |                         |                |                         |                |                         |         |        |      |
| I                                    | 154,155        | 43,706                  | 28.4           | 54,054                  | 16.9           | 39,353                  | 4,956          | 12.6                    | 7,340   | 792    | 10.8 |
| II                                   | 25,264         | 384                     | 1.5            | 3,959                   | 4.0            | 21,230                  | 703            | 3.3                     | 1,855   | 10     | .5   |
| III                                  | 272,060        | 77,301                  | 28.4           | 92,105                  | 10.8           | 165,257                 | 20,080         | 12.2                    | 83,187  | 20,086 | 24.1 |
| IV                                   | 593,184        | 185,928                 | 31.3           | 11,116                  | 5.6            | 30,527                  | 465            | 1.5                     | 41,642  | 5,491  | 13.2 |
| V                                    | 122,601        | 16,938                  | 13.8           | --                      | --             | 15,783                  | 41             | .3                      | 124,930 | 3,494  | 2.8  |
| Total                                | 1,167,264      | 324,257                 | 27.8           | 1,483,043               | 10.9           | 272,150                 | 26,245         | 9.6                     | 258,954 | 29,873 | 11.5 |

(continued--)



Appendix table D.--continued

| Year and region of the U.S.: | Sorghum                      |                             |                          | Soybeans                     |                             |                          | Rye                          |                             |                          | Flaxseed                     |                             |                          | Total                        |                             |                          |
|------------------------------|------------------------------|-----------------------------|--------------------------|------------------------------|-----------------------------|--------------------------|------------------------------|-----------------------------|--------------------------|------------------------------|-----------------------------|--------------------------|------------------------------|-----------------------------|--------------------------|
|                              | Sold off : farms : 1,000 bu. | Sales by : regional: cent : | Per- : farms : 1,000 bu. | Sold off : farms : 1,000 bu. | Sales by : regional: cent : | Per- : farms : 1,000 bu. | Sold off : farms : 1,000 bu. | Sales by : regional: cent : | Per- : farms : 1,000 bu. | Sold off : farms : 1,000 bu. | Sales by : regional: cent : | Per- : farms : 1,000 bu. | Sold off : farms : 1,000 bu. | Sales by : regional: cent : | Per- : farms : 1,000 bu. |
| 1970-71:                     |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |
| I                            | 632                          | 221                         | 35.0                     | 211,629                      | 66,357                      | 31.4                     | 3,094                        | 905                         | 29.2                     | --                           | --                          | 879,176                  | 183,522                      | 20.9                        |                          |
| II                           | 16,123                       | 8,239                       | 51.1                     | 286,625                      | 42,808                      | 14.9                     | 2,009                        | 6                           | --                       | --                           | 441,621                     | 77,553                   | 17.6                         |                             |                          |
| III                          | 11,917                       | 4,028                       | 33.8                     | 565,098                      | 125,407                     | 22.2                     | 17,437                       | 2,040                       | 11.7                     | 27,927                       | 4,461                       | 2,622,598                | 491,218                      | 18.7                        |                          |
| IV                           | 489,778                      | 99,587                      | 20.3                     | 39,149                       | 22,894                      | 58.5                     | 8,279                        | 751                         | 9.1                      | 1,119                        | 783                         | 1,516,577                | 399,224                      | 26.3                        |                          |
| V                            | 37,270                       | --                          | --                       | --                           | --                          | --                       | 1,904                        | --                          | --                       | 78                           | --                          | 418,320                  | 46,150                       | 11.0                        |                          |
| Total                        | 555,720                      | 112,075                     | 20.2                     | 1,102,501                    | 257,466                     | 23.4                     | 32,743                       | 3,702                       | 11.3                     | 29,124                       | 5,244                       | 5,878,292                | 1,197,667                    | 20.4                        |                          |
| 1969-70:                     |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |
| I                            | 545                          | --                          | --                       | 218,665                      | 55,383                      | 25.3                     | 3,060                        | 630                         | 20.6                     | --                           | --                          | 957,419                  | 170,524                      | 17.8                        |                          |
| II                           | 5,742                        | 51                          | .9                       | 267,526                      | 41,160                      | 15.4                     | 2,031                        | --                          | --                       | --                           | --                          | 428,903                  | 60,807                       | 14.2                        |                          |
| III                          | 12,404                       | 763                         | 6.2                      | 563,453                      | 104,740                     | 18.6                     | 15,294                       | 2,593                       | 17.0                     | 32,449                       | 6,304                       | 2,936,747                | 456,123                      | 15.5                        |                          |
| IV                           | 528,604                      | 97,649                      | 18.5                     | 54,862                       | 22,293                      | 40.6                     | 4,965                        | 114                         | 2.3                      | 1,286                        | 781                         | 1,594,368                | 410,097                      | 25.7                        |                          |
| V                            | 39,648                       | 118                         | .3                       | --                           | --                          | --                       | 1,305                        | --                          | --                       | 120                          | --                          | 382,485                  | 51,133                       | 13.4                        |                          |
| Total                        | 586,943                      | 98,581                      | 16.8                     | 1,104,506                    | 223,576                     | 20.2                     | 26,675                       | 3,337                       | 12.5                     | 33,855                       | 7,085                       | 6,299,922                | 1,148,684                    | 18.2                        |                          |
| 1961-62:                     |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |                              |                             |                          |
| I                            | 562                          | 7                           | 1.2                      | 152,860                      | 40,346                      | 26.4                     | 3,068                        | 682                         | 22.2                     | --                           | --                          | 677,748                  | 144,543                      | 21.3                        |                          |
| II                           | 1,616                        | 1                           | .1                       | 118,061                      | 8,735                       | 7.4                      | 886                          | --                          | --                       | --                           | --                          | 268,095                  | 13,792                       | 5.1                         |                          |
| III                          | 5,507                        | 227                         | 4.1                      | 374,443                      | 57,696                      | 15.4                     | 9,526                        | 2,494                       | 26.2                     | 18,466                       | 10,518                      | 1,781,403                | 280,507                      | 15.7                        |                          |
| IV                           | 331,249                      | 22,325                      | 6.7                      | 26,661                       | 2,931                       | 11.0                     | 4,651                        | 238                         | 5.1                      | 1,584                        | 196                         | 1,228,288                | 228,690                      | 18.6                        |                          |
| V                            | 18,689                       | 26                          | .1                       | --                           | --                          | --                       | 2,169                        | --                          | --                       | 565                          | --                          | 296,440                  | 20,499                       | 6.9                         |                          |
| Total                        | 357,623                      | 22,586                      | 6.3                      | 672,025                      | 109,708                     | 16.3                     | 20,300                       | 3,414                       | 16.8                     | 20,615                       | 10,714                      | 4,251,974                | 688,031                      | 16.2                        |                          |

1/ Source: Field &amp; Seed Crops.



Appendix table E.--Consolidated balance sheet of all regional grain cooperatives, 1939-71

| Year<br>end-<br>ing | Assets       |       |       |       | Liabilities and member equity |               |       |                   |              |       |       | Total |
|---------------------|--------------|-------|-------|-------|-------------------------------|---------------|-------|-------------------|--------------|-------|-------|-------|
|                     | Cur-<br>rent | Fixed | Other | Total | Cur-<br>rent                  | De-<br>ferred | Total | Member<br>capital | Sur-<br>plus | Total |       |       |
| Million dollars     |              |       |       |       |                               |               |       |                   |              |       |       |       |
| 1939                | 5.2          | 0.9   | 0.7   | 6.8   | 2.4                           | 1.1           | 3.5   | 1.6               | 1.6          | 3.2   | 6.8   |       |
| 1940                | 6.5          | 1.3   | 0.6   | 8.4   | 3.7                           | 1.3           | 5.0   | 2.2               | 1.2          | 3.4   | 8.4   |       |
| 1941                | 8.3          | 1.8   | 1.3   | 11.4  | 5.4                           | 1.2           | 6.6   | 3.5               | 1.4          | 4.8   | 11.4  |       |
| 1942                | 10.7         | 4.6   | 1.4   | 16.7  | 7.1                           | 2.8           | 9.9   | 4.4               | 2.4          | 6.8   | 16.7  |       |
| 1943                | 18.7         | 6.7   | 1.3   | 26.7  | 12.7                          | 3.7           | 16.4  | 6.5               | 3.8          | 10.3  | 26.7  |       |
| 1944                | 24.1         | 6.1   | 2.4   | 32.6  | 14.0                          | 3.0           | 17.0  | 8.9               | 6.7          | 15.6  | 32.6  |       |
| 1945                | 33.6         | 6.6   | 2.8   | 43.0  | 18.7                          | 5.3           | 24.0  | 13.1              | 5.9          | 19.0  | 43.0  |       |
| 1946                | 30.9         | 8.3   | 2.8   | 42.0  | 16.4                          | 0.8           | 17.2  | 16.2              | 8.6          | 24.8  | 42.0  |       |
| 1947                | 45.5         | 10.8  | 4.4   | 60.7  | 27.1                          | 0.5           | 27.6  | 21.2              | 11.9         | 33.1  | 60.7  |       |
| 1948                | 41.9         | 13.8  | 4.4   | 60.1  | 21.1                          | 0.5           | 21.6  | 29.9              | 8.7          | 38.6  | 60.1  |       |
| 1949                | 44.9         | 19.3  | 4.8   | 69.0  | 23.6                          | 0.3           | 23.9  | 36.8              | 8.3          | 45.1  | 69.0  |       |
| 1950                | 46.2         | 27.5  | 5.4   | 79.1  | 25.8                          | 5.4           | 31.2  | 39.4              | 8.5          | 47.9  | 79.1  |       |
| 1951                | 69.9         | 38.7  | 6.3   | 114.9 | 41.7                          | 19.1          | 60.8  | 44.2              | 9.9          | 54.1  | 114.9 |       |
| 1952                | 62.2         | 42.1  | 5.5   | 109.8 | 33.5                          | 17.7          | 51.2  | 47.5              | 11.1         | 58.6  | 109.8 |       |
| 1953                | 58.1         | 42.9  | 4.5   | 105.5 | 25.9                          | 16.9          | 42.8  | 52.2              | 10.5         | 62.7  | 105.5 |       |
| 1954                | 52.4         | 53.2  | 6.0   | 111.6 | 21.0                          | 23.5          | 44.5  | 56.3              | 10.8         | 67.1  | 111.6 |       |
| 1955                | 60.6         | 60.3  | 5.2   | 126.1 | 24.3                          | 27.2          | 51.5  | 59.6              | 15.0         | 74.6  | 126.1 |       |
| 1956                | 63.8         | 58.0  | 5.7   | 127.5 | 24.0                          | 22.2          | 46.2  | 65.3              | 16.0         | 81.4  | 127.5 |       |
| 1957                | 67.3         | 58.9  | 7.5   | 133.7 | 28.0                          | 17.8          | 45.8  | 56.4              | 31.5         | 87.9  | 133.7 |       |
| 1958                | 70.8         | 65.1  | 7.2   | 143.1 | 25.3                          | 12.7          | 38.0  | 63.2              | 41.8         | 105.0 | 143.1 |       |
| 1959                | 127.2        | 95.7  | 10.0  | 232.9 | 70.3                          | 27.1          | 97.4  | 88.8              | 46.7         | 135.5 | 232.9 |       |
| 1960                | 112.6        | 105.2 | 11.0  | 228.8 | 49.0                          | 35.2          | 84.2  | 93.8              | 50.8         | 144.6 | 228.8 |       |
| 1961                | 135.8        | 115.8 | 15.9  | 267.5 | 66.8                          | 47.7          | 114.5 | 96.0              | 57.0         | 153.0 | 267.5 |       |
| 1962                | 179.6        | 119.4 | 16.8  | 315.8 | 98.5                          | 54.4          | 152.9 | 102.5             | 60.4         | 162.9 | 315.8 |       |
| 1963                | 165.6        | 121.8 | 21.7  | 309.1 | 82.3                          | 56.1          | 138.4 | 110.0             | 60.7         | 170.7 | 309.1 |       |
| 1964                | 177.5        | 133.8 | 26.4  | 337.7 | 105.2                         | 61.1          | 166.3 | 115.4             | 56.0         | 171.4 | 337.7 |       |
| 1965                | 198.8        | 137.7 | 27.3  | 363.8 | 115.4                         | 81.2          | 196.6 | 121.0             | 46.2         | 167.2 | 363.8 |       |
| 1966                | 249.0        | 154.8 | 40.2  | 444.0 | 166.6                         | 97.4          | 264.0 | 119.9             | 60.1         | 180.0 | 444.0 |       |
| 1967                | 249.7        | 158.6 | 45.9  | 454.2 | 166.7                         | 101.4         | 268.1 | 130.6             | 55.5         | 186.1 | 454.2 |       |
| 1968                | 252.5        | 181.3 | 54.3  | 488.1 | 170.6                         | 118.6         | 289.2 | 137.7             | 61.2         | 198.9 | 488.1 |       |
| 1969                | 237.7        | 183.8 | 55.5  | 477.0 | 149.4                         | 117.0         | 266.4 | 151.8             | 58.8         | 210.6 | 477.0 |       |
| 1970                | 351.4        | 205.0 | 53.3  | 609.7 | 249.5                         | 123.8         | 373.3 | 191.5             | 44.9         | 236.4 | 609.7 |       |
| 1971                | 328.7        | 209.0 | 56.9  | 594.6 | 231.8                         | 116.7         | 348.5 | 205.9             | 40.2         | 246.1 | 594.6 |       |



Appendix table F.--Total grain volume handled, total net margins, and net margins per bushel, regional grain cooperatives, fiscal years ending 1939-1971

| Year ending | Volume handled <sup>1/</sup><br>1,000 bu. | Total net margins<br>\$1,000 | Net margins per bushel<br>Cents |
|-------------|---|------------------------------|---------------------------------|
| 1939        | 100,039                                   | 857                          | 0.86                            |
| 1940        | 107,381                                   | 848                          | 0.79                            |
| 1941        | 104,240                                   | 1,140                        | 1.09                            |
| 1942        | 141,388                                   | 2,328                        | 1.65                            |
| 1943        | 182,872                                   | 4,057                        | 2.22                            |
| 1944        | 287,875                                   | 6,709                        | 2.33                            |
| 1945        | 287,824                                   | 5,995                        | 2.08                            |
| 1946        | 293,483                                   | 8,283                        | 2.82                            |
| 1947        | 300,652                                   | 12,387                       | 4.12                            |
| 1948        | 312,146                                   | 9,813                        | 3.14                            |
| 1949        | 356,773                                   | 8,114                        | 2.27                            |
| 1950        | 288,192                                   | 7,165                        | 2.49                            |
| 1951        | 310,082                                   | 10,358                       | 3.34                            |
| 1952        | 326,802                                   | 7,977                        | 2.44                            |
| 1953        | 307,754                                   | 9,021                        | 2.93                            |
| 1954        | 282,741                                   | 11,168                       | 3.95                            |
| 1955        | 326,087                                   | 14,486                       | 4.44                            |
| 1956        | 345,283                                   | 13,830                       | 4.01                            |
| 1957        | 406,720                                   | 15,019                       | 3.69                            |
| 1958        | 375,279                                   | 16,656                       | 4.44                            |
| 1959        | 574,023                                   | 20,101                       | 3.50                            |
| 1960        | 637,020                                   | 20,007                       | 3.14                            |
| 1961        | 707,734                                   | 20,114                       | 2.84                            |
| 1962        | 695,068                                   | 17,472                       | 2.51                            |
| 1963        | 703,894                                   | 15,075                       | 2.14                            |
| 1964        | 822,328                                   | 11,965                       | 1.46                            |
| 1965        | 888,576                                   | 10,652                       | 1.20                            |
| 1966        | 1,029,687                                 | 12,475                       | 1.21                            |
| 1967        | 980,380                                   | 7,640                        | 0.78                            |
| 1968        | 1,052,198                                 | 6,167                        | 0.59                            |
| 1969        | 1,056,395                                 | 2,088                        | 0.20                            |
| 1970        | 1,179,156                                 | 15,257                       | 1.29                            |
| 1971        | 1,223,958                                 | 21,651                       | 1.77                            |

<sup>1/</sup> Includes rice, wheat, corn, oats, barley, sorghum, soybeans, rye, flaxseed, and other grain such as millet, buckwheat, and some dry edible beans.







