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No. 3 -- Issued weekly for the information of AMA employees in the Pacifi Region by the Marketing Reports Division, San Francisco.

HENDRICKSON HEADS FOOD DISTRIBUTION ADMINISTRATION: Roy F. Hendrickson, AMA administrator was appointed Director of Food Distribution by Secretary RY Wickard. Clarence W. Kitchen, who has been serving as Associated Administrative trator of the ANA, was named Assistant Director.

While it is still too early to say how much the reorganization will affect the AMA, it is apparent that it will mean much greater responsibility. Obtaining servers opinions are that expansion of FDA will be along the lines that now exist in AMA rather than disrupt it with drastic changes.

AMA War Board reports that various commodity branches of former AMA already are studying products that come under their jurisdiction to determine if rationing is needed or what other steps should be taken to assure equitable distribution.

Herbert W. Parisius, associate director of the Office for Agriculture War Relations was designated as Director of Food Production.

The Department is now regrouped into three major administrative units for "streamlined" wartime operation. More will be forthcoming.

NOTES ON DENVER NEETING: Here are some of the highlights in Secretary Wickard's speech. "No matter how much is produced, IT WON'T BE ENOUGH.... Lend-lease and armed forces' needs have been revised up from 13 percent to 20 percent and are now about 25 percent of total production....The Department cannot give help to NON-ESSENTIAL CROPS and must concentrate on MAN-POWER, MACHINERY, EQUIPMENT, FERTILIZER, etc. on the more ESSENTIAL crops. In order to avoid another post-war collapse, we must prepare to give our own and other nations ENOUGH FOOD and fibre for reasonable needs and we must prepare for FULL EMPLOYMENT at home and sound trade relations with the world."

INCREASED DELIVERIES OF FOOD TO ALLIES: AMA delivery report shows greatly increased deliveries of eggs, dairy products, meats, grains and other American foodstuffs to the Allied Nations. New shipping and supply lines have opened and the flow of American foodstuffs to seaports for Allied destinations has swelled proportionately. Deliveries increased in October by 93 million pounds over the preceding month, laying down at shipside some 645,000,000 pounds of food.

This brings total Lend-Lease deliveries to nearly 8,000,000,000 pounds of foodstuffs since the program was started.

VICTORY FOOD PROGRAM: Designation of dry edible beans as the Victory Food for January 18 to January 23, has been officially confirmed. This year's total U. S. supply of dry beans is estimated at 24,400,000 bags of 100 pounds each, the largest in history. This compares with a supply of 20, 100,000 bags hast year and an average of 16,100,000 bags in the previous five years.

Restrictions on tin have practically eliminated the canning of dry beans for civilian consumption. This means that more beans need to be prepared in the home or made available already cooked for bulk sales through retail stores. Use of beans by consumers will aid in conserving other less plentiful protein foods needed for war purposes.

The new crop will be ample to meet current requirements for Lend-Lease shipment, military and civilian uses, and to provide for a larger-than-normal carry-over.

CHEESE IN TASE NECESSARY: An American Cheddar cheese subsidy program is designed to expand production by increasing returns to farmers shipping milk to cheese factories. The government will purchase all the American Cheddar cheese delivered by the factories on the basis of 27¢ per pound and sell it back to the factories immediately at 23½¢ per pound without physical transfer of the cheese.

The purpose of the program is to allow cheese factories to pay farmers a price that will attract milk to the factories, and at the same time, avoid an increase in cheese prices to consumers. Cheese factories will be required to pass on to the farmers from whom they buy milk all the Government payments received, in addition to the amount which they would normally pay to farmers.

An increased output of American cheese is necessary to fill military, Lend-Lease and domestic requirements.

ENCREASE IN SCHOOL MILK PROGRAM: AMA Distribution Division figures show an increase 35,000 participants in the school milk program since November 21. The number of school children participating in the program on November 21 were approximately 91,000 while by December 18 the figure jumped to 126,229 participants within the Region.

PULCELSE ANNOUNCEMENTS: On Purchase Announcement No. 1109 for California Rough Rice (Faddy) no offers were received. Recent discussions in Congress in consideration of including rising costs of farm labor, in possible revised parity prices in some commodities, resulted in a decided holding tendency on the part of rice growers, coupled with a strong demand on the part of rice millers to replenish stocks for filling ANA purchases of Milled rice for Lend-Lease and territorial requirements.

High moisture is a problem with rice growers when fall rains interrupt harvesting operations. When artificial driers have caught up with sufficient volume of the crop, it is expected larger quantities of the quality of Rough rice desired by AMA will become available. It is expected that a new purchase will be announced again shortly. Rough rice is desired in our Hawaiian stockpile because of its better keeping quality and its resistance in rough form before milling to insect attack.

Approximately COO tons of Garlic were offered on Purchase Announcement No. 173? mostly from the Gilroy area. 300 tons are being made available for the Caribbean. An example of the wide field covered by the publicity given this purchase by Marketing Reports Division in order to inform all producers believed in a distressed condition due to surplus production was the receipt of several tons from producers in Mexico who, of course, could not qualify because of our purchases being limited to garlic grown within the continental United States only.

REGION LOSSES: The Pacific Region loses another employee to the Washington ANA staff. Donald F. Rea, Arizona State Supervisor for the Distribution Division will leave shortly to assume his new duties in Washington, D. C.

NOTE TO THE FIELD: Marketing Reports Division asks men in the field to submit any new activities or developments in their areas for publication in the Roundup. Many times your experiences and problems will assist supervisors in other areas and at the same time keep everyone well informad.