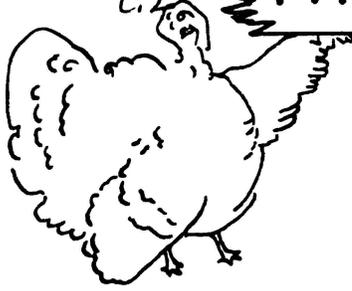


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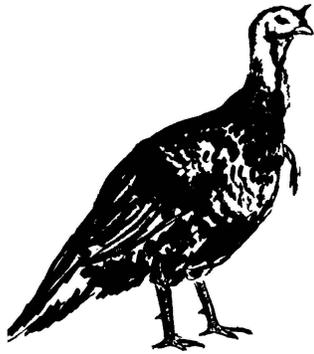
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The Market Review of



PEEP AND MOO

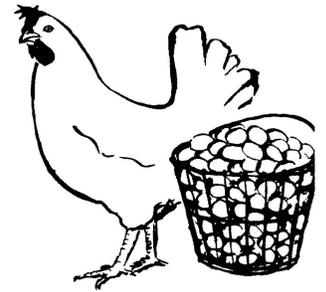
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MARKETING

turkeys broilers

eggs



June 1958

FACTORS AFFECTING THE BRUISING OF BROILERS Bruising is one of the marketing costs associated with broilers since bruised birds must be downgraded before retailing. This is of concern to the grower and processor as well as to the consumer.

Saunders and Lanson^{1/} reported that nearly 80 percent of the birds that were Grade B or below were downgraded because of flesh bruises. This study included 3,214 birds from four lots of broilers.

Ringrose^{2/} reported 7.1 percent bruised carcasses for broilers bulk weighed as compared to 11.7 percent bruised carcasses for on farm weighing before loading.

^{1/} Saunders, Richard and Lanson, Raino K., "Handle with Care and Profit," Maine Farm Research, Maine Agricultural Experiment Station, Vol 2, pp. 11-13, October, 1954.

^{2/} Ringrose, Arthur T., "Bruised Poultry Challenges Processor's Profits." American Egg and Poultry Review, pp. 36-39, March, 1953.

Hough^{3/} reported 4 percent of the broilers received by 32 slaughterhouses in New York City were bruised.

Kaiser and Smith^{4/} studied bruising of broilers in Delaware and reached the following conclusions:

"LENGTH AND WIDTH OF PENS. Most flocks of broilers run and fly when someone enters the broiler house. It was thought length of pens might influence the force with which excited birds would fly into such objects as feeders, waterers, and stoves. The pens in the houses visited in this study varied from 15 to 50 feet in width and from 24 to 340 feet in length.

^{3/} Hough, J. W., "Rough Handling Injures Poultry Profits," Farm Economics, Department of Agricultural Economics, New York State College of Agriculture, Cornell University, Ithaca, New York, No. 192: pp. 5,058-5,059, December, 1953.

^{4/} Kaiser, W. K. and Smith R. C., "Factors Affecting The Bruising Of Broilers," Delaware Agricultural Experiment Station Bulletin No. 323, April, 1958.

"Neither the width nor length of pens appeared to affect the percent of broilers in a flock that are bruised.

"FLOOR SPACE. Size of pens in broiler houses was measured and floor space per bird was calculated. Floor space varied from a low of 0.50 to a high of 1.28 square feet per bird. Approximately 41 percent of the flocks received less than two-thirds of a square foot per bird, while 71 percent received less than 0.75 square feet.

"There was little relationship between floor space and percent bruises. The inverse relationship indicated that as floor space was increased there was a tendency for percent bruises to decrease.

"FEEDER PLACEMENT. Approximately half the growers placed all feeders perpendicular to the length of the pen. One-third of them placed some feeders parallel and some perpendicular, while the remaining growers placed all feeders parallel to the length of the pen.

"The different placements of feeders in pens did not significantly affect the percent of bruises per flock. Flocks of broilers grown in houses which have feeders parallel to the length of pens tended to have the most bruises.

"Although the evidence is not conclusive, flocks in pens having feeder placement mixed so that some are parallel and others are perpendicular to the length of pens will probably have less bruises than where feeders are all parallel or perpendicular to the length of pens.

"DISTANCE FROM FARM TO DRESSING PLANT. Some of the roads on which broilers are hauled are rough and it was considered possible that broiler flocks hauled long distances might have more bruises than those hauled short distances. Broiler

flocks in this study were hauled a distance ranging from one to 52 miles with an average of 19.5 miles. All Delmarva processing plants probably haul their flocks an average distance of more than 19.5 miles, since the flocks in this study were randomly chosen from those nearest the processing plants.

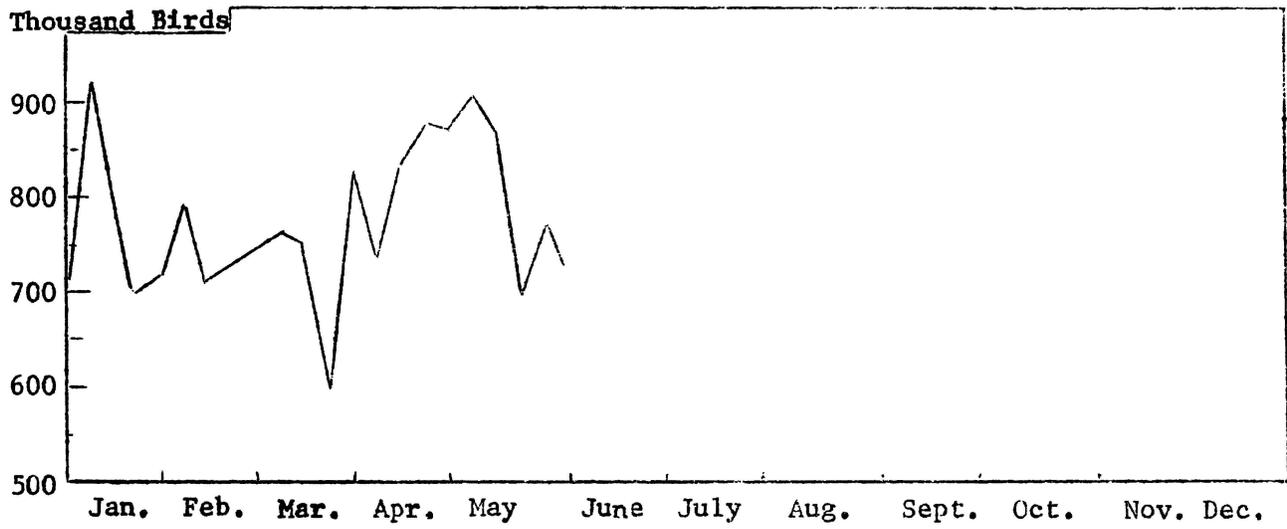
"In this study distance to processing plant had no appreciable influence on percent bruises.

"Broilers hauled in batteries and held in the feeding station from one to three days had significantly more bruises than those hauled in coops and killed within four to six hours after reaching the processing plant.

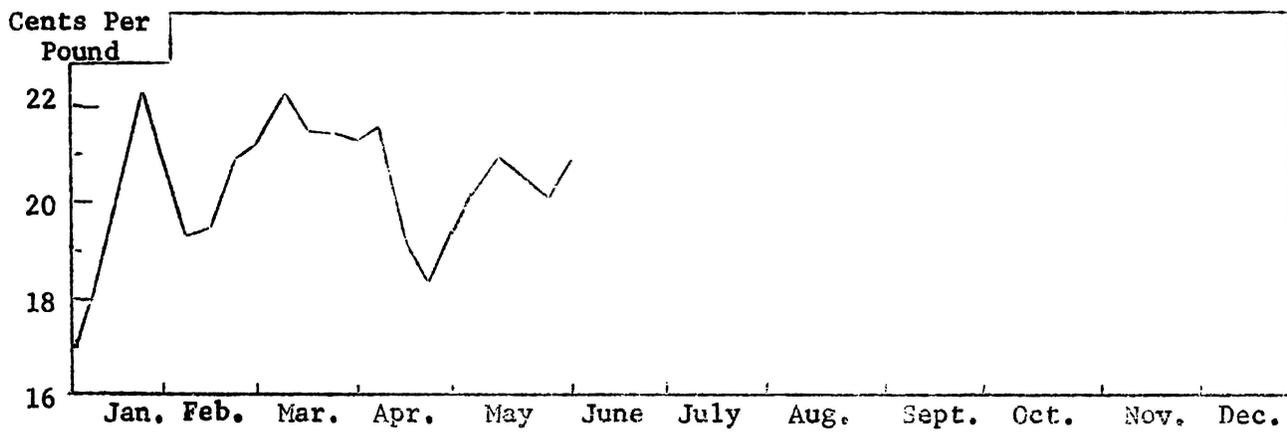
"Broiler flocks with a high percentage of poorly fleshed birds tended to have fewer bruises than flocks with a higher proportion of broilers with good fleshing.

"The results of this study indicate some breeds tend to bruise more easily than others. In analyzing the effect of breed the broiler flocks were divided into three general groups: (1) white rocks, (2) silver cross or white cross, and (3) a cross which is predominantly white with a few red or brownish feathers. The relationship of breed and bruising is as follows: (1) The cross which is predominantly white with a few red or reddish brown feathers had significantly more bruises than the silver crosses. (2) There was not a significant difference in bruising between any of the other breed groups indicated above."

Harold W. Walker
Asst. Ext. Agr. Econ.
Poultry Marketing
Specialist



Weekly Purchases of Broilers in Shen-Valley Area, 1958



Average Weighted Prices of Broilers in Shen-Valley Area, 1958

EGG PRICES - Average from April 15 to May 15, 1958^{1/}

Market Area	U. S. Grade A			Grade B	Grade C
	Large	Medium	Small	Large	Large
- cents per dozen -					
Harrisonburg	37.3	33.7	23.8	29.1	16.0
Richmond	36.4	33.8	24.2	33.4	25.4
Roanoke	38.6	34.8	25.2	28.0	16.1

^{1/} Unweighted average. Additional payments of 1 - 4-1/2 cents per dozen made by some buyers on special arrangements for quality and quantity.

BROILER PRICES - Average from April 15 to May 15, 1958

Market Area	Ave. ^{1/} Price	Weekly Summary of Purchases in Shen-Valley Area		
		Week Ending	No. Birds Purchased	Weighted Ave. Price (cents)
Shenandoah Valley	20.0	4/18	875,000	18.38
Del-Mar-Va	20.9	4/25	870,200	19.17
West Virginia	20.5	5/2	904,000	20.31
North Carolina	19.0	5/9	865,685	20.98
North Georgia	19.0	Total	3,514,885	19.71

^{1/} Unweighted average.

Average Virginia Poultry Feed Prices and Feed/Price Ratio

Date	Price Per 100 Pounds			Feed-Price Ratios ^{1/}		
	Laying Mash	Broiler Growing Mash	Turkey Growing Mash	Egg	Broiler	Turkey
- dollars -						
May 15, 1957	4.70	4.95	5.10	8.9	3.9	6.2
April 15, 1958	4.75	5.20	5.20	11.0	3.7	7.1
May 15, 1958	4.80	5.30	5.30	10.0	3.8	7.8

^{1/} Number of pounds of feed equal in value to one dozen of eggs, one pound of broiler live weight, or one pound of turkey live weight.

Dairy



Section

June 1958

BASE PLAN The base-surplus plan used in Virginia State Milk Commission controlled markets is the subject of a current research project of the Virginia Agricultural Experiment Station. The primary purpose of this project is to describe, analyze and evaluate some of the more important economic and institutional characteristics of this producer payment plan as it has operated in three specific markets--Roanoke, Harrisonburg and Newport News* We will discuss some of the findings of this study during the next few months. The entire study will be reported in a bulletin to be prepared in the near future.

PRODUCER REACTIONS TO BASE PLAN A two-page mail questionnaire was sent to all producers who held bases on the Roanoke, Harrisonburg and Newport News markets as of September 1, 1956. The questionnaire was mailed to a total of 370 producers. Usable questionnaires were returned by 291 producers. Producers in the above markets were asked to answer questions relating to: (1) sale and transfer of base, (2) entry of new producer, (3) assignment to distributors, (4) allotting additional base, and (5) continuance of the base plan in its present form.

* This study was undertaken before Newport News was consolidated with other markets to form the Tidewater market.

SALE AND TRANSFER OF BASE The transfer and sale of base among producers has been permitted since the inception of the base-surplus plan in each market. Tables 1, 2 and 3 summarize producer response to questions on whether or not base should be sold, and if so, how it should be sold. Producers in each of the three markets definitely felt that each individual producer should have the right to sell his base allotment to another producer. However, there was less agreement as to what regulations should govern the sale.

Approximately three-fourths of the producers responding indicated that split-base sales should be permitted (this is the current practice in those particular markets). The remaining one-fourth felt that all sales should be for the entire base allotment of an individual producer in a single transaction with a single buyer.

Producers in the Roanoke and Harrisonburg markets thought that they should not be required to sell cows along with base. In Newport News, an exactly opposite reaction was observed.

Table 1. Producer response with regard to sale of base allotments

Should sale be permitted?	Market			Total
	Roanoke	Harrisonburg	Newport News	
Yes	150	28	102	280
No	3	1	7	11
Total	153	29	109	291

Table 2. Producer response with regard to how base should be sold

Method of sale	Market			Total
	Roanoke	Harrisonburg	Newport News	
Split sale	120	13	68	201
Entire base	30	15	34	79
Total	150	28	102	280

Table 3. Producer response with regard to selling cows when base is transferred

Should cows go with base?	Market			Total
	Roanoke	Harrisonburg	Newport News	
Yes	53	9	65	127
No	97	19	37	153
Total	150	28	102	280

PROGRESS AND CHANGE

Mr. Harvey P. Hood, president of H. P. Hood and Sons (a large dairy company in Boston), has this to say about the fear of and necessity for change: "I think we must recognize, if we reflect on the subject at all, that change is one of the basic conditions of life. And the life of a business is very likely the life of a man. When an organization (or a business) loses its ability to adapt to changing conditions, it has ceased to grow and its days are numbered.

"Changes are not always pleasant or easy when they take place. For instance, when trucks replaced horse drawn wagons on milk distribution routes, many men felt that this made their work harder because the horse knew the route as well as the man did, and could move along the street with him as he traveled from house to house.

"And yet, it was this basic step that made it possible for the route salesman to gradually improve his standard of living by selling more milk in a week's work. It has been said that 'it is the business of the future to be dangerous.' Progress itself is continually surrounded by known and oftentimes over-feared reefs, but somehow the smarter companies in most industries keep going ahead in a way that is beneficial to both their customers and their employees."

"Changes are not always pleasant or easy when they take place. For instance, when trucks replaced horse drawn wagons on milk distribution routes, many men felt that this made their work harder because the horse knew the route as well as the man did, and could move along the street with him as he traveled from house to house.

COW "BOARDING HOUSE" IDEA TO BE TESTED

Centralized boarding of cows on a cooperative basis

where all milking would be handled for a number of farms is being considered in Wisconsin. The plan calls for housing and centralized milking of 250 cows with 10 to 15 farmers financing the cost. Estimated cost of boarding 20 cows is \$125 per month. Those who favor the plan say reduced costs, more scientific care for cows, and better breeding will be the probable result.

MILK USE IN ARMED FORCES

The U. S. Armed Forces increased their consumption of milk by approximately 560 million pints in 1957 under the special program designed to stimulate expanded use of milk for troop feeding.

Through the supplemental program, consumption of fluid milk by service personnel was more than twice what it would have been if normal purchases of fluid milk had been made in 1957. This special program is greatly increasing the quantity of milk in the diets of military personnel and at the same time lessening the amounts of dairy products that the U.S.D.A. is required to buy under the dairy price-support program.

MARKETING MARGINS

Since 1952, the average marketing margin (over the Nation as a whole) for a single quart of milk has increased about 17%. The average margin for all sales of fluid milk has increased less than for single quarts, due to the shift toward multiple-quart containers and quantity discount plans. Operating costs have increased more than marketing margins. The net margin before income taxes, has decreased by nearly one-third.

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The table on the next page gives a handy reference for converting the Class I price per 100 pounds into the price per gallon and per quart.

Carl J. Arnold
Assoc. Agri. Econ.

PRICE OF MILK

Per gallon and per quart, when sold at various prices per 100 pounds. One gallon of milk weighs 8.6 pounds.

<u>Price per 100 lbs. (Dollars)</u>	<u>Price per Gallon (Cents)</u>	<u>Price per Quart (Cents)</u>	<u>Price per 100 lbs. (Dollars)</u>	<u>Price per Gallon (Cents)</u>	<u>Price per Quart (Cents)</u>
3.00	25.8	6.44	5.30	45.5	11.37
3.05	26.2	6.55	5.35	46.0	11.50
3.10	26.7	6.68	5.40	46.4	11.60
3.15	27.1	6.80	5.45	46.9	11.72
3.20	27.5	6.90	5.50	47.3	11.82
3.25	28.0	7.00	5.55	47.7	11.92
3.30	28.4	7.10	5.60	48.2	12.05
3.35	28.8	7.20	5.65	48.6	12.15
3.40	29.2	7.31	5.70	49.0	12.25
3.45	29.7	7.42	5.75	49.4	12.35
3.50	30.2	7.55	5.80	49.9	12.47
3.55	30.6	7.65	5.85	50.3	12.57
3.60	31.0	7.75	5.90	50.7	12.67
3.65	31.4	7.85	5.95	51.2	12.80
3.70	31.8	7.95	6.00	51.6	12.90
3.75	32.2	8.05	6.05	52.0	13.00
3.80	32.7	8.15	6.10	52.5	13.12
3.85	33.1	8.27	6.15	52.9	13.22
3.90	33.5	8.40	6.20	53.3	13.32
3.95	34.0	8.50	6.25	53.7	13.42
4.00	34.5	8.62	6.30	54.2	13.55
4.05	34.9	8.72	6.35	54.6	13.65
4.10	35.3	8.82	6.40	55.0	13.75
4.15	35.7	8.92	6.45	55.4	13.85
4.20	36.2	9.02	6.50	55.9	13.97
4.25	36.6	9.12	6.55	56.3	14.07
4.30	37.0	9.22	6.60	56.7	14.18
4.35	37.4	9.32	6.65	57.2	14.30
4.40	37.8	9.45	6.70	57.6	14.40
4.45	38.3	9.56	6.75	58.0	14.50
4.50	38.7	9.67	6.80	58.5	14.62
4.55	39.1	9.78	6.85	58.9	14.73
4.60	39.5	9.90	6.90	59.3	14.82
4.65	40.0	10.00	6.95	59.8	14.95
4.70	40.4	10.10	7.00	60.2	15.01
4.75	40.9	10.20	7.05	60.6	15.15
4.80	41.4	10.35	7.10	61.0	15.25
4.85	41.8	10.45	7.15	61.5	15.38
4.90	42.2	10.55	7.20	61.9	15.48
4.95	42.6	10.65	7.25	62.3	15.58
5.00	43.0	10.75	7.30	62.8	15.70
5.05	43.5	10.87	7.35	63.2	15.80
5.10	43.9	10.97	7.40	63.6	15.90
5.15	44.3	11.07	7.45	64.1	16.02
5.20	44.7	11.17	7.50	64.5	16.10
5.25	45.1	11.27			