

VIRGINIA AGRICULTURAL EXTENSION SERVICE

AGRICULTURAL ECONOMICS PLAN OF WORK

For

Calendar Year 1954

| <u>Major Phases of Project<br/>or subdivisions of<br/>project covered</u>               | <u>Name of Worker</u>                                | <u>Percentage of Time<br/>Devoted to Entire<br/>Project by Each Worker</u> |
|---|--|--|
| Farm Management   | K. E. Loops<br>W. J. Nuckolls, Jr.<br>E. D. Chastain | 100%<br>100%<br>100%   |
| Management of Farm Service Agencies<br>Marketing Facilities & Services & Field<br>Crops | D. U. Livermore<br>J. L. Maxton                      | 100%<br>100%   |
| Poultry Marketing   | R. J. Krueger  | 100%   |
| Farm Finance, Outlook & Administrative  | Harry M. Love  | 33%  |
| Marketing Dairy Products  | (Vacant)   | 100%   |

Date Submitted: 2/18/54 1954

Signed:

*Hamilton Love*  
Project Leader

Date Approved: MAR 9 1954 1954

Signed:

*W. D. Doughty*  
Acting State Director of Extension

Date Approved: MAY 14 1954 1954

Signed:

*W. Ferguson*  
Director of Extension Work  
U. S. Dept. of Agriculture

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## SUMMARY

### I. Analysis of the Situation:

Agriculture in Virginia faces a period of adjustment. A large proportion of the present-day farmers and the proprietors of farm service agencies lack experience with declining prices. Their problems are still further complicated by the high level of fixed costs. These fellows have grown up during a period of great expansion when raw product prices were characteristically rising faster than costs. Their problems are compounded by the fact that in periods of declining prices, the prices of raw products go down first and fastest. They are now being plagued by high fixed costs which show little promise to go down. Furthermore, most of the operators who have been in business more than fifteen years still fear the return of severe depression conditions similar to those of two decades ago. As a consequence, there is a great deal of confusion. Public agencies rendering educational assistance in the realm of the economic and production aspects of agriculture have great responsibilities.

Many people are concerned about the future economic well-being of agriculture. As a result, the Extension economists are being called upon for a greater variety of information than ever. Unfortunately much of the data on which judgments have been based in the past are no longer valid because of changes in recent years. These conditions not only tax the resources of the economist for essential facts, but make it necessary to exercise greater caution in drawing conclusions.

Farmers are asking for more assistance in making management decisions. They are diligently seeking ways to determine what is their most profitable combination of enterprises. A real effort is being made to develop a farm management program that will serve these needs. Most farm agents have little background of training or experience in showing farmers how to reason through management decisions. Therefore, it is necessary to conduct agent training programs in farm management. Since agents, like most other people, find it very difficult to see problem situations as they apply to farmers and reason as a farmer would, it will likely be necessary to conduct farmer discussions in which agents will observe. The extent of the need for farm management assistance is so great that it will be necessary to train and service county agents and restrict the use of specialists to this activity.

Many farmers are now trying to keep records of their farming operations, but relatively few are getting the information needed to make an analysis of the business. Furthermore, banks and other business firms that have been participating in the promotion of various campaigns such as the 100 bushel corn contest, pasture improvement, soil conservation, and so forth, are now asking why these cannot be pulled together in some type of farm management program. This avenue of approach offers promise for fruitful development.

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Virginia farm people are evidencing more interest in agricultural policy programs. The disposition to discuss policy matters under existing conditions affords the extension economists an excellent opportunity to stimulate more objective and thoughtful consideration. Experiments with forum-like discussions of considerations in agricultural policy have indicated a need for this educational activity. Farmers and their business friends participate in these discussions with vigor. There is much evidence that farmers have been called upon to make policy decisions for which they do not have the basic information needed. When shown how policy decisions operate with a chain effect, farmers probe into fundamental issues.

Changes in the capital structure of a farm business are causing farmers concern about leasing and rental arrangements. This is an especially acute problem for many who are shifting to livestock farming and others using expensive equipment.

Requests for assistance in the management of farm service businesses of various kinds are increasing. This service is being expanded to include all types of businesses.

Rising marketing costs are causing increasing concern among producers, marketing agencies, and consumers. All are asking for information which will aid them in improving these services and reducing costs.

Farmers are showing concern over the decrease in their share of the consumer's food dollar. Many seem to be more concerned about the decreasing share than ways to share in more consumer dollars. Furthermore, consumers seem to fail to recognize that as they demand more service through the marketing system, their total cost must increase even though farmers get lower prices and market agencies make economies. Education in this area of misunderstanding will help farmers appreciate the need for more efficient production and marketing. It will also do much to improve public relations for agriculture by shifting from farmers some of the onus probandi concerning increased food costs. Much effort will go into this activity.

For several years Virginia farm operators have shown increasing interest in procedures for developing father-son operating agreements. Research done in the state is being used as the basis for an extension program dealing with this problem. Aging farmers are finding it increasingly burdensome to carry on. Many are seeking ways to bring a younger man into the business.

The pressure of credit problems is being intensified by the rising costs of machinery and other needs for more capital. Many farmers are requesting assistance in thinking through the alternative ways for

obtaining credit required to bring about desirable improvements in their farm business organization. This need will undoubtedly be accentuated by the necessity for substituting factors in production. The problem is intensified by a lack of experience on the part of lenders in extending credit to modern-day agriculture. This lack of know how constitutes a critical situation.

Tax problems of farmers are a very important consideration. Records and other supporting evidence by farmers are often inadequate. Special effort will be made to help farmers develop a better understanding of the requirements. Emphasis is also being placed upon the importance of considering ways to save tax costs when planning business operations.

In an effort to more effectively serve these and other needs of Virginia agriculture, the educational work in economics extension will place primary emphasis on: farm management, marketing, public policy programs, agricultural credit, father-son operating agreements, rental arrangements, the management of farm service agencies, and economic outlook.

## II. Objectives:

### A. Farm Management

Emphasis will be placed upon increased efficiency in production and lower costs by:

1. Increasing crop yields and production of livestock by the most economical methods.
2. Helping farmers think through the management decisions in adjusting their operations so as to maximize the returns to the resources at their disposal.
3. Helping farmers bring about substitutions of the factors in production which will increase the efficiency through use of labor, machinery, and equipment.
4. Improving the balance of individual farm businesses in order that:
  - a. Labor may be more evenly distributed throughout the day and year.
  - b. By-product and unsalable feeds may be utilized through the production of livestock.

- c. Maintenance of soil fertility by cheap methods such as erosion control, drainage, liming, crop rotation, plowing under crop residues, and adding mineral fertilizers where necessary.
5. Attempting to develop ways for maximizing farm income and reducing risks.

These programs will be worked out in cooperation with the county agents and for the purpose of serving them in obtaining goals set in their respective localities. Discussions, personal visits, demonstrations, and numerous other approved teaching devices will be used to facilitate the adoption of approved practices.

#### B. Marketing

Emphasis will be placed upon increasing the efficiency in the marketing of farm produce, maintaining quality in products from the farm to the consumer, and expanding consumption by:

1. Encouraging the production of the varieties of crops that possess the qualities which will cause consumers to pay farmers the best prices.
2. Bringing about improvements in the handling, preparation, and packaging of farm products which will insure the maintenance of quality.
3. Assisting farmers in the development of improved local market outlets.
4. Assisting the processors and handlers of farm commodities in developing more efficient and adequate facilities for the handling of produce in the area which they serve.
5. Consumer education in marketing costs and margins.
6. Demonstrating improved merchandising practices.

#### C. Public Policy Programs:

An effort will be made to encourage farm people to think through the economic considerations involved in policy proposals and programs by conducting forum-type discussions with groups of leading farmers to:

1. Acquaint them with the framework of government within which programs must be formulated.

2. Consider the objectives for such programs.
3. Examine the means proposed for the attainment of these objectives.
4. Consider the economic and social significance.
5. Stimulate thinking on the results in the form of advantages and disadvantages from the viewpoint of the individual operator, agriculture as an industry and the economy as a whole.

D. Agricultural Credit:

An attempt will be made to assist farm people in getting their financial affairs in shape and to point out ways for minimizing the dangers in future financing operations by:

1. Examining the considerations involved in setting up a sound program for financing a farm business.
2. Pointing out the alternative sources of credit available and some of the possibilities for using them more effectively.
3. Emphasizing the need for converting short-time obligations and other potentially dangerous liabilities to a more satisfactory basis.
4. Showing ways for economizing in the use of credit.

E. Father-Son Operating Agreements:

An effort will be made to impress upon farm people the need for proceeding in a businesslike manner when working out such agreements by:

1. Pointing out the opportunities and limitations.
2. Showing the needs for a meeting of minds by all parties concerned in the formulation of a legally sound written agreement.
3. Informing farm people of the principal considerations which should be taken into account when making such agreements.
4. Outlining and suggesting procedures which will assist individuals concerned in working out with legal counsel the details for satisfactory agreements.

#### F. Economic Outlook:

A continuous effort will be made to keep before farm people full information as to trends in economic outlook and the needs for observing these indicators. Devices used in this approach will be:

1. News stories, radio releases, and public discussions with various interested groups.
2. Dovetailing the economic outlook into the discussions and consideration of various other economic problems to farm people and others.
3. Passing along economic outlook information to county workers, production specialists, and others who have occasion to discuss agricultural matters and help farm people think through their problems.

#### Miscellaneous:

Virginia Farm Economics will be published on a quarterly basis, and distributed to about 2500 professional workers and others interested in agriculture.

Farm Flashes for Bankers will be continued as a monthly publication with a circulation of about 1200. This release is designed to acquaint bankers with some of the current problems of agriculture in order that they may more appropriately counsel with and advise local farmers who come to them for financial assistance.

Numerous other items are listed in tabulation of publications.

### III. Program of Work for 1954:

#### A. Farm Management

Farm management extension will be directed primarily at improved efficiency and lower costs.

Instruction will be aimed primarily toward county farm agents and a limited number of farm operators.

Forum-type discussions and demonstrations will be the principal methods used.

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County farm agents are to be met in groups of 10 or 12 and carried through farm management discussions and a farm visit for an entire day. Then work will be done with selected small groups of farmers in discussing the procedures to be followed when making management decisions. This will be continuing program throughout the year.

In addition, county farm management contests will be undertaken on a limited basis in order to gain experience that will be useful in expanding this activity next year.

#### B. Marketing

Subject matter will deal with all of the objectives outlined above.

Information will be directed toward producers and consumers of farm products as well as services to the various marketing agencies handling farm produce.

All methods of communication will be employed. Emphasis will be placed upon pictorial presentations, demonstrations, and forum-type discussions, depending upon the nature of the item to be presented and the composition of the audience.

Discussions, demonstrations, etc. will be staged in numerous localities around the State, depending upon the interest, primarily concerned with the various phases of the problems in marketing. For instance, emphasis will be given to poultry products throughout the State for this is a commodity of general interest. However, such specialties as sweet potatoes, peanuts, and tobacco will be treated within the framework of the locality concerned.

Much of the marketing work will be geared to the time of seasonal interests. Even though the marketing of poultry products is treated continuously throughout the year, there will be seasons of special emphasis designed to help move otherwise burdensome supplies such as during the flush production of eggs in the spring, and the turkey and broiler meat accumulations which are a carryover from holiday seasons and the like.

The marketing program will be a continuing phase of the work in Agricultural Economics and limited only by the lack of personnel.

### C. Public Policy Programs

First emphasis will be given to some considerations in policy which are basic to the decisions farm people are called upon to make with reference to support prices. This will be expanded to cover foreign trade and other aspects as the program evolves.

The policy work will be directed primarily toward reaching leaders among farm people. These will include men, women, young farmers, and representatives of other business interests in the various localities.

The presentation of policy material will be in the form of leading forum-like discussions designed to accommodate 30 to 40 people at a time. As a supplement to these discussions, periodical releases dealing with related policy considerations will be sent to all county workers and a select group of other leaders. Meanwhile news releases, TV programs, and radio will be used as a media for passing along timely policy information.

The meetings will be held in counties at the request of the local agents and others interested.

Policy discussions will be scheduled in response to the interest expressed in the localities and insofar as possible timed to reach the groups when there is something for consideration which will be of a special interest. For example, when some crop specialty group is facing a referendum on acreage allotments or other decisions, they seem most receptive to discussions.

It is possible that meetings will be held in 40 to 50 counties during the year. The principal limitation will be the lack of manpower, for it is quite apparent that the demand for this service will far exceed the capacity of those now doing the work.

### D. Agricultural Credit

Agricultural credit will in the main be woven in as a part of the farm management activities. However, special emphasis will be given to certain aspects of this problem through the annual farm credit conference, which is sponsored jointly by the Agricultural Committee of the Virginia Bankers Association, the Federal Reserve Bank of Richmond, and V.P.I. In addition, timely news releases, radio talks, etc. will be directed toward the use of credit by farm people.

#### E. Father-Son Operating Agreements

Special emphasis will be given to this through a limited number of meetings which will be scheduled in response to the evidence of interest in the various counties. These discussions will be aimed primarily toward young farmers and their parents. In addition, these operating arrangements will be treated as a part of the farm management program when appropriate.

#### F. Economic Outlook

This will be treated through an annual outlook statement with several thousand copies distributed to farm leaders, professional workers, and others interested. This will be supplemented through timely news stories, radio programs, and group discussions during the year. Meanwhile, outlook will also be included as a part of the work in farm management and marketing. The range of coverage will probably be wider than any other phase of our activity since numerous civic clubs, business groups, and others will doubtless be requesting this service.

#### Evaluation of Work:

The results obtained in these extension activities will be evaluated in the light of the nature, extent of improved practices, attitudes, and individual activities among farmers, consumers, and others as a consequence of teaching activities. Results of this type are generally of a somewhat intangible nature and, therefore, cannot be readily expressed in numerical terms. Estimates to be made will be based upon the apparent benefits accruing to all parties concerned. This must, of course, include benefits derived through the prevention of mistakes as well as of profits accruing to improved practices, etc.

#### Cooperation:

Continued cooperation is expected from the agencies listed below; the details of which arrangements are extended in the reports of the several specialists. It is, of course, recognized that the work in this department is essentially that of a service agency, and, therefore, we shall make very effort to extend our usefulness by making available the full benefit of our resources to the cooperating agencies indicated and others who may request such service.

Baltimore Bank of Cooperatives  
Baltimore Production Credit Corporation  
Cooperative Division of Farm Credit Administration  
Cooperative Division of Tennessee Valley Authority  
Soil Conservation Service

The Production Marketing Administration  
Rural Electrification Service  
The U. S. Forest Service  
Virginia Forest Service  
The Farmers Home Administration  
The Virginia State Department of Education  
Federal Reserve Bank of Richmond  
The Bureau of Agricultural Economics in the U.S.D.A.  
First National Exchange Bank of Roanoke  
Agricultural Committee of Virginia Bankers Association  
Virginia State Department of Agriculture  
Extension Service in the U.S.D.A.  
Virginia Agricultural Experiment Station  
School of Agriculture of V.P.I.  
Other specialists in subject matter divisions of the  
extension service.

Plan of Work - 1954

Farm Management Extension

Kenneth E. Loops  
Associate Extension Agricultural Economist

I. Analysis of the Situation.

Many farms in Virginia do not have a farm organization that will net the highest returns possible over a period of years. Some of the weak points in the management of these farms are: insufficient scale of operations, uneconomic yields from both crops and livestock, improper choice of enterprises to suit resources available, inefficient use of labor, poor choice of machinery, etc.

Certain areas of the State are adding livestock enterprises and there is a need for adjustments in the farming system so as to develop the highest net returns. The economics of pasture should be investigated, together with the gearing in of the most profitable system of feeding.

Farm records are needed from different type and size of farms in these areas in order to secure information that will help with the solution of these problems.

Some of the questions asked by farmers in the State are as follows:

What is the cost of production for the various roughages and which will best fit my feeding program?

How much of my open land should be developed as pasture and how much as feed crops?

How heavy should I stock my farm?

What type of livestock should I add?

All of these and others are problems that need solutions based on the individual farm situation.

## II. Objectives.

The major objective for the coming year is to set up farm records, supervise and close existing records in order to secure information of value in improving the ability of farmers to solve their problems. This information will be used directly by the cooperating farmers and by the Extension personnel in developing an active program for improving management decisions on all farms in the various counties.

The analysis of this material to determine its significance is included in the major objective.

## III. Program of Work for 1954.

What- The writer, with the assistance of the county Extension personnel, will help the farmers in the State develop skill in making management decisions on their farms.

Who- Work will be done with a selected group of farmers who will be contacted directly. A procedure for attacking the problem on all farms will be developed with the help of the county personnel.

How- Complete farm unit demonstrations will be conducted and given publicity through tours, field meetings, radio, press, and general discussion meetings.

Where- The above mentioned work will be conducted in the following counties:

| <u>County</u> | <u>No. Farms</u> |
|---------------|------------------|
| Bland         | 25               |
| Dickenson     | 10               |
| Grayson       | 12               |
| Lee           | 26               |

| <u>County</u> | <u>No. Farms</u> |
|---------------|------------------|
| Russell       | 20               |
| Scott         | 13               |
| Smyth         | 15               |
| Tazewell      | 14               |
| Washington    | 25               |
| Wythe         | 11               |
| Wise          | 15               |
| Charlotte     | 3                |
| Halifax       | 2                |
| Prince Edward | 2                |
| Appomattox    | 2                |
| Campbell      | 1                |
| Fauquier      | 2                |
| Madison       | 2                |
| Orange        | 2                |
| Culpepper     | 2                |
| Albemarle     | 1                |
| Green         | 2                |
| Rappahannock  | <u>2</u>         |
|               | 209              |

Plans are being made to set up demonstrations in the Warsaw area and in the Shenandoah Valley.

Plan of Work for 1953 - 1954

W. J. Nuckolls, Jr.  
Associate Extension Agricultural Economist

1. The Administrative officers have assigned the specialist the job of checking and tabulating Annual Report of County Extension Agents - Form ES-21. Most of December and the first part of January will be devoted to this work.
2. Will spend sometime in December and January holding educational meetings in counties interested in the discussion of Federal Income Taxes as they apply to farmers.

All county agents will be furnished information relating to income taxes. This material will include: (a) Virginia Agricultural Extension Service Bulletin 195 (revised) "Farmer's 1953 Income Tax," and (b) United States Treasury Department bulletin, "Your Federal Income Tax" - 1953 edition.

Will assist in the distribution of the bulletin "Farmer's 1953 Income Tax," Virginia had 6,000 copies of this bulletin printed.

3. Will assist other farm management workers in conducting farm management training meetings for County Agents.
4. Will start farm business records in a limited number of selected counties. It is felt that some intensive work should be done along this line in order that some basic farm management data on farm organization, operation, etc., may be obtained.
5. It is planned to assist other members of the Department in holding farm management schools in a limited number of counties.
6. Will assist interested county agents in discussing the need for

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keeping records and some of the benefits to be derived from adequately kept records.

7. Assistance will be given on landlord-tenant and father-son agreements upon request.

## 1954 Calendar of Work

W. J. Huckolls, Jr.  
Associate Extension Agricultural Economist

| Activity                                   | Days on each activity |      |       |       |     |      |      |      |       |      |      |      | Total |
|--|-----------------------|------|-------|-------|-----|------|------|------|-------|------|------|------|-------|
|  | Jan.                  | Feb. | March | April | May | June | July | Aug. | Sept. | Oct. | Nov. | Dec. |       |
| Farm business records                      | 4                     | 15   | 16    | 12    | 11  | 10   | 10   | 7    | 11    | 10   | 7    | -    | 113   |
| Income Tax work                            | 6                     | 2    | -     | -     | -   | -    | -    | -    | -     | -    | 4    | 5    | 17    |
| Farm Management Schools                    | 4                     | 2    | -     | -     | -   | -    | -    | -    | -     | 3    | 4    | -    | 13    |
| Other Farm Mgt. Work                       | -                     | 2    | 6     | 10    | 10  | 6    | 10   | 8    | 10    | 8    | -    | -    | 70    |
| Radio and Publicity                        | 1                     | 1    | 1     | 1     | 1   | 1    | 1    | 1    | 1     | 1    | 1    | -    | 11    |
| Check and Tabulate Extension<br>Form ES-21 | 10                    | -    | -     | -     | -   | -    | -    | -    | -     | -    | 6    | 19   | 35    |
| Conferences & Meetings                     | 1                     | 1    | 2     | 1     | 2   | 5    | 3    | 5    | 2     | 2    | 2    | -    | 26    |
| Leave and Holidays                         | -                     | 1    | 2     | 2     | 2   | 4    | 3    | 5    | 2     | 2    | 2    | 3    | 28    |
| Total                                      | 26                    | 24   | 27    | 26    | 26  | 26   | 27   | 26   | 26    | 26   | 26   | 27   | 313   |

## Plan of Work

December 1, 1953 - November 30, 1954

E. D. Chastain, Jr.,  
Associate Extension Agricultural Economist  
Farm Management

### I. Situation Analysis.

The management of a farm is constantly becoming a more complex undertaking. Present-day successful managers are constantly making decisions and adjustments. Current and prospective conditions indicate a greater need for each farmer to think through wisely the considerations that need to be taken into account in the decision making process. In order for farmers to meet this need it is necessary that they be skilled in the methods of analyzing their respective farming situations employing the best information available. Extension farm management and county personnel play a vital role in meeting this need by supplying the best information available and demonstrating the methodology that can well be employed in the decision reaching process.

In farm management, it is generally the practice to think first of those problems which are concerned with the individual farm business and are influenced by the characteristics of the individual operation. These are the problems of primary concern to this Extension specialist. These problems include such current important items as the adjustments necessary to meet prospective price conditions, the farm labor situation, mechanization advancements, and the adjustments directed by the regulations of the agricultural control programs.

But the problems mentioned in the preceding paragraph are not all

about which farmers should be concerned or are concerned. There are problems that are considered as being beyond the individual farmer's gate which are more and more having a great effect upon his operation. These include items such as the price support program, problems of taxation and social security consideration for farm people. It is desirable to include these in the educational program in farm management.

The past educational activities in farm management have been directed heavily toward "fringe" areas which are the responsibility of farm management personnel but which are not best classified under farm planning. It is evident that greater attention and effort need to be focused directly upon planning, the core of farm management. It is planned that this will be developed by: (1) the specialist becoming in an improved position to assist with educational work in farm planning, (2) training of the county agents in order that they may become in a better position to assist farm people with their planning problems, and (3) a follow-through program with farmers.

In addition to the renewed emphasis upon farm planning directly it is desirable to continue and intensify the activities with the other phases of farm management in which farmers are experiencing problems. These include such phases as farm record keeping, father-son and landlord-tenant farming arrangements, outlook, agricultural policy, taxation, social security, insurance, inheritance and part-time farming.

## II. Objectives.

1. Conduct in cooperation with other personnel of the Department instruction for all men agents in the fundamental principles involved in

the farm management approach and the application of these principles through the actual planning of a farm business.

2. Cooperate with other personnel of the Department in the educational program with farm records including the contacts with farmers and the utilization of the teaching information obtained.

3. Strive for optimum utilization of research findings with the constant aim of reducing the time involved in getting the results to farm people. This includes the use of applicable data from adjoining states in addition to that obtained from personnel of the Virginia Polytechnic Institute.

4. Cooperate with other personnel of the Department in keeping other Extension personnel informed of the best information available on farm management problems. A newsletter is one method requested by district personnel to help do this job and if this alternative is selected by the project leader, specialist will cooperate to utmost with other personnel involved in this undertaking.

5. Furnish information to farm people through meetings, radio, news releases, radio releases, correspondence, and special writings on various areas of farm management.

6. Answer requests from county personnel with least possible delay and with best information obtainable.

7. Develop a greater recognition among Extension workers of the management role in agriculture.

8. Assist with various campus activities as suggested by the Director and Project Leader including the Institute of Rural Affairs, 4-H Short Course, Annual Extension Conference, short courses, and staff groups.

### III. Program of Work.

A. Top priority will be placed upon the training of all men agents in the fundamental principles involved in the farm management approach and in the actual planning of a farm business. Instruction will be given in the spring months for all men agents in counties designated by district agents by the use of a flannel board illustrated presentation, a farm problem, and discussions.

B. Specialist will cooperate with a limited number of farmers in the keeping of farm records. Instruction in their use by individual farmers will be offered and the information obtained will be utilized as teaching material. This phase of the activity will require farm visits, group meetings and office work. Farmers will be in the counties selected in cooperation with county personnel and will be representative of several of the major type of farming in the State. This program will be in cooperation with other personnel of the Department.

C. County agents and farmers will be assisted in keeping informed on the best information available on farm management problems. This will be a continuous process throughout the year and to a large extent will be based upon requests. This will include schools, meetings, news releases, radio releases, radio programs, correspondence, consultations and special articles. The subject matter covered will include all phases of farm management as the field is academically defined at this institution.

### IV. Effectiveness:

The results of education in an economic field are hard to measure and it is desirable to recognize this difficulty. However, it is believed

that a big stride will be made during the year on a long-range program. In making the advancements it is expected that closer worker relationships with personnel concerned will be obtained.

It appears that the work undertaken can be measured by comparisons with the accomplishments in preceding years in this State and by comparison with the work in farm management in adjoining states. This will include such factors as the quantity of work, the intensity and quality of the work, new undertakings, and the reactions received from other Extension personnel and from farm people.



Plan of Extension Work in the Management of Farm Service Agencies

December 1, 1953 through November 30, 1954

D. Upton Livermore\*

Assoc. Extension Agricultural Economist

Project Analysis

The prime objective of this program will be that of making the educational programs of Virginia Polytechnic Institute available to various business organizations which serve the farm, to the end that such organizations may better serve the interests of agriculture and the consuming public. By "Farm Service Agencies" is meant any corporate business concern (Cooperative or otherwise), partnership, individual proprietorship, or service organization which deals directly with farmers in providing certain materials and facilities for production and marketing, or for farm family living. It is thought that if improvements in the nature and management of such organizations can be effected through an educational program, direct benefit will accrue to farm people by reason of the greater efficiencies and improved services of such organizations which are essential to improved farm operation and family living.

Most of the requests received for assistance are in the nature of particular problems of individual business firms or organizations. Questions relating to organization, reorganization, dissolution, financing, management, taxation, and legal obligations to local, state and federal government are most frequently raised.

Objectives

The general objective in this work is to help business concerns and other organizations perform their functions more efficiently and more effectively. The benefits to be derived from accomplishing this objective will accrue indirectly to patrons and customers of such organizations who are mainly rural farm people.

Program of Work for 1954

1. Assist the program planning committee for the annual conference of cooperatives to be held in June, 1954. This is a general educational program involving two days of instruction in the general application of cooperative organization and management procedures.
2. In cooperation with the Dairy Extension Specialist help new artificial breeding associations to establish proper accounting systems and operate the associations in accord with established cooperative law. An effort will be made to prepare a publication setting forth the essentials of a proper accounting system.
3. In cooperation with the Animal Husbandry Department, assist about twenty-two feeder calf associations to obtain proper corporate status including membership agreements, marketing contracts, and proper bookkeeping methods to the extent that such associations wish to formalize their operating procedures.
4. Assist and encourage other cooperatives to modernize their corporate papers and render proper accounts to patrons for business they do through their associations.
5. Continue to improve working relationships with farm service agency trade organizations to the end that their members may have a better understanding of and make more use of V. P. I. services and facilities from an educational standpoint.
6. Review problems of individual business concerns upon request. This constitutes about 90 percent of the field work of the specialist and probably 75 percent of the specialist's time.

Assistance with other Programs

1. Probably two weeks will be spent in October and November preparing and disseminating outlook information, and at such other times as the situation may warrant throughout the year.

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2. Assistance will be given the 4-H club short course for a week in June.
  3. Assistance will be given the Institute of Rural Affairs for a week in July.
  4. Assistance will be given the Extension Worker's Conference for a week in August.
  5. Assistance will be given the In-Service Training School to be held in February.
  6. All remaining time will be devoted to general educational work in the field of public policy.

#### Procedure

1. Personal interviews with management personnel of business concerns serving agriculture.
2. Focusing the attention of various V. P. I. personnel, particularly specialists in various departments, on such problems as may be disclosed.
3. Developing ways and means of directing appropriate educational material to business management personnel.
4. Disclosing problematical situations appropriate for research and directing such situations to the attention of appropriate V. P. I. personnel.
5. Providing appropriate information to those interested in establishing new business concerns.
6. Liaison work between business concerns serving agriculture, V. P. I. Specialists, and County Agents.
7. Preparing such articles and publications as may be useful in furthering the objectives outlined above for business concerns and Extension personnel regarding management and public policy problems.

#### Plans for Evaluation and Reporting Results

A systematic filing system is kept for each business concern contacted and file memoranda are maintained in some detail describing the services rendered and the results obtained. These provide useful information in connection with repeat calls and for evaluating the nature of the work and probable results.

Plan of Work of J. L. Maxton  
Extension Agricultural Economist  
for  
December, 1953 - November, 1954, inclusive

The number one problem of farmers in 1954 will be to move large stocks of farm products in such a way as to increase their net incomes. The acreage allotments and marketing quotas, while limiting the increased efficiency possible from maximum production on our better farms, do put legal price floors under these crops meeting certain standards. It becomes necessary then to see to it that growers have the facilities to take advantage of this situation. This calls for adequate farm or commercial storage for the staple crops such as corn, wheat, oats, barley, soybeans, cotton and tobacco. It also calls for a production and movement to fresh market and processors of perishables (fruits and vegetables) in such volumes as to adequately supply all markets (wide distribution) and return fair prices. In this area acreages of the perishables should be voluntarily adjusted by farmers on the basis of Outlook information so as to minimize the marketing problem during periods of harvest. Adequate processing facilities should be available to put a price floor under perishables used for this purpose. In carrying out this work meetings will be held to inform producers of the situation so they make choices with all possible angles considered.

Specific work is planned in 1954 in the marketing of sweet potatoes, tomatoes, small grains and corn. With this in view three special small grain and corn marketing surveys were completed in 1952-53, a sweet potato production and marketing bulletin is planned for completion and use in 1954 and special marketing work in tomatoes is also planned for the year ahead.

The division of time for the Extension Agricultural Economist  
in the 1953-54 years is planned as follows:

| Kind of work                              | 1953  |      |      |      |      |     |      |      |      |       |      |      | No. of Days in 1954 |  |  |  |  |  |  |  |  |  |  |  |
|---|-------|------|------|------|------|-----|------|------|------|-------|------|------|---------------------|--|--|--|--|--|--|--|--|--|--|--|
|   | Total |      |      |      |      |     |      |      |      |       |      |      |                     |  |  |  |  |  |  |  |  |  |  |  |
|   | No.   |      |      |      |      |     |      |      |      |       |      |      |                     |  |  |  |  |  |  |  |  |  |  |  |
| Days                                      | Dec.  | Jan. | Feb. | Mar. | Apr. | May | June | July | Aug. | Sept. | Oct. | Nov. |                     |  |  |  |  |  |  |  |  |  |  |  |
| Small grain marketing                     | 13    | 1    | 2    | 1    | 1    | -   | 1    | 2    | 2    | 2     | 1    | -    | -                   |  |  |  |  |  |  |  |  |  |  |  |
| Corn marketing                            | 13    | 1    | 2    | 1    | 1    | -   | -    | 1    | 2    | 2     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| West Potato Marketing                     | 37    | 5    | 5    | 6    | 4    | 3   | 1    | -    | 2    | 2     | 3    | 4    | 2                   |  |  |  |  |  |  |  |  |  |  |  |
| White Potato Marketing                    | 15    | -    | -    | 2    | 2    | 2   | 1    | 4    | 2    | 1     | -    | -    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Tomato Marketing                          | 12    | -    | -    | 1    | 1    | 1   | 1    | 2    | 2    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Watermelon marketing                      | 8     | -    | -    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | -    | -                   |  |  |  |  |  |  |  |  |  |  |  |
| Tobacco marketing                         | 9     | 1    | 1    | 1    | -    | -   | -    | -    | -    | -     | 2    | 2    | 2                   |  |  |  |  |  |  |  |  |  |  |  |
| Walnut marketing                          | 7     | 1    | 1    | 1    | -    | -   | -    | -    | -    | -     | 1    | 2    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Cattle marketing                          | 13    | 1    | 1    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | 2    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Pig marketing                             | 13    | 1    | 1    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | 2    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Sheep, Lamb & Wool marketing              | 6     | 1    | -    | -    | 1    | -   | 1    | 1    | -    | 1     | -    | 1    | -                   |  |  |  |  |  |  |  |  |  |  |  |
| Wholesale F. & V. Marketing Facilities    | 11    | 1    | -    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Main commercial marketing facilities      | 12    | 1    | 1    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Farm marketing facilities                 | 12    | 1    | 1    | 1    | 1    | 1   | 1    | 1    | 1    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Marketing with business organizations     | 13    | 1    | -    | 1    | 1    | 1   | 2    | 2    | 1    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Work with general farm organizations      | 14    | 1    | 1    | 1    | 1    | 1   | 2    | 2    | 1    | 1     | 1    | 1    | 1                   |  |  |  |  |  |  |  |  |  |  |  |
| Outlook                                   | 24    | 5    | 2    | 2    | 2    | 4   | 1    | 1    | 1    | 1     | 1    | 1    | 3                   |  |  |  |  |  |  |  |  |  |  |  |
| Other work in fruit & vegetable marketing | 17    | -    | -    | -    | -    | 4   | 4    | 2    | 2    | 2     | 1    | 2    | -                   |  |  |  |  |  |  |  |  |  |  |  |
| Miscellaneous work                        | 33    | -    | 8    | -    | 3    | 2   | 4    | 2    | 3    | 3     | 1    | 1    | 6                   |  |  |  |  |  |  |  |  |  |  |  |
|   | 382   | 22   | 26   | 23   | 23   | 24  | 24   | 25   | 24   | 23    | 20   | 24   | 24                  |  |  |  |  |  |  |  |  |  |  |  |

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An example of how the educational program for all the commodities listed on the statistical plan of work will be given in detail for sweet potato marketing.

Request has already been received from growers for this assistance through County Agents. During the past six months from time to time subject matter material has been assembled for a bulletin, "The Production and Marketing of Sweet Potatoes." This bulletin is now ready for review by the joint Committee of Cooperating Agencies representing The Virginia Agricultural Truck Experiment Station, The Virginia Department of Agriculture and the Virginia Extension Service. When this bulletin is printed and released it is to be used as the basis for changing the production and marketing of this crop in the State.

Work will be conducted through specialists and field men of all three agencies in the fields of research and teaching using the County Agents and farm organizations as a means for informing producers, handlers and consumers of these results. The methods to be used in this teaching program will be (1) The placing of a copy of the bulletin on production and marketing of sweet potatoes in all interested party hands, (2) The discussion of the contents of the bulletins in meetings, by use of newspaper releases, by use of radio, and personal on the farm and business contacts.

This work will be intensified in the Counties of Accomack, Northampton, Princess Anne, Norfolk, Nansemond, Caroline, Hanover and Isle of Wight. Existing seed stock producers and sellers of certified seed stock and plants will be asked to enlarge their operations and any new growers in this field will be encouraged. Growers will be advised to

closely follow the recommendations including an expansion of production of the Porto Rico type for sale out of storage. The Extension Agricultural Engineer has been asked to prepare and have available latest plans for sweet potato storage with needed bill of materials and expected costs.

This work will be evaluated at the end of each year and additional efforts for expansion and quality pack improvement is now planned for a three-year period.

State statisticians' reports and continuing increased growers' interest should be the basis for work evaluation. Similar procedure is planned in other commodity areas especially that of tomatoes and grains.

Regular work in answering correspondence, writing timely economic articles, service work for Department of V. P. I. and other agencies, joint efforts in fields of common interest is to be continued.

Efforts for improving marketing facilities for commodities on farms, in rural areas and in cities will be attempted whenever feasible.

Work with business organizations of all kinds in the marketing field and with general farm organizations is also a part of the coming year's complete plan of work.

POULTRY MARKETING EXTENSION PLAN OF WORK

December 1953 - November 1954

R. J. Krueger

Associate Extension Agricultural Economist

Problem - COST OF PRODUCING AND MARKETING VIRGINIA POULTRY IS HIGH

In 1945 Virginia was the second largest broiler producing state in the nation. Last year it was sixth. This is an indication that broiler production in Virginia is showing the effect of increased competition from other states. States to the South can produce broilers cheaper than Virginia because of a warmer climate. States to the North have the advantage of lower marketing costs due to the fact that they are nearer to the large Eastern markets.

Solution - Because of the comparative advantage of these other areas it is ~~not~~ necessary that Virginia poultrymen find ways of reducing production and marketing costs to meet this increased competition.

Action - The initial step which producers must take to reduce their production costs is to keep an accurate, systematic set of cost account records. Therefore, this coming year considerable time will be spent with County Agricultural Agents in setting-up and supervising a system of record keeping for poultrymen in Virginia. At the end of the production year a sample of these records will be turned over to specialists in the Poultry Husbandry Department for suggested changes in production practices which would lead to lower production costs. Then these records will be turned over to farm management specialists in the Agricultural Economics Department for suggestions regarding ways to increase the net profit of the various farms by changes in over-all organization, proper selection and combination of poultry with other farm enterprises, increasing labor efficiency, etc.

From the suggestions offered by the poultry production and farm management specialists a model plan for each individual farm will be developed and presented to the farm operator. The following year (1955) records again will be kept on the same sample farms to determine which suggestions were followed and the financial results obtained. Discovering ways to make poultry more profitable by means of better production or farm management practices will enable Virginia poultrymen to better meet the competition from other production areas.

Problem - SUPPLIES OF POULTRY INCREASING RAPIDLY - Since the close of World War II there has been a phenomenal increase in every phase of poultry production. In 1953 about 515.5 million more broilers, 509.8 million more dozen of eggs and 27.0 million more turkeys will be produced in United States than were produced just five years ago, and indications are that the peak has not been reached yet. For example about 62 million more broilers are expected to be raised during 1954 than during 1953. The increase in <sup>the</sup> number of broilers, dozens of eggs and number of turkeys produced in Virginia during the past five years has been 24.2 million, 2.6 million and 4.4 million respectively.

Solution - If the continually increasing supply of poultry is to be sold at a price which will yield the average producer a reasonable profit, particularly in the face of increased competition from red meats, a corresponding expansion will have to take place in the market for poultry and eggs.

Action - To accomplish this objective both the consumer and retailer education programs instigated during 1953 will be continued and expanded. Another series of poultry merchandising classes for processors, distributors and retailers will be held in areas of Virginia not covered during the 1953

series. A continuing study will be made concerning supply conditions, demand trends, new uses, etc., and information regarding these things will be presented to Virginia consumers by means of television and radio programs and newspaper releases.

Problem - PRICE OF POULTRY FLUCTUATES VIOLENTLY - Fluctuations in the prices farmers receive for poultry are considerably more rapid and violent than the prices they receive for most other farm commodities. This is true because the production of poultry varies rapidly due to the relative ease and short periods of time it takes producers to get in and out of the business. Also because the demand for poultry is relatively sensitive to variations in red meat prices.

Solution - The only means producers have of protecting themselves against violent fluctuations which typify the poultry market is by careful planning, adjusting and shifting their production efforts in accordance with changes in supply and demand conditions.

Action - Therefore, a constant effort will be made by the specialist to supply Virginia poultry producers with the market information they need to successfully plan and carry out their operation. This will be done by:

1. Encouraging more County Agricultural Agents to hold poultry meetings for the purpose of acquainting producers with the importance of poultry marketing problems, the needs of the trade, consumer preferences, opportunities in marketing which may accrue to their benefit, etc.
2. Making radio broadcasts on timely subjects
3. Writing press releases
4. Preparing information for County Agricultural Agents to distribute to the poultrymen of their county

The following groups will be called on to help carry out the 1954 Extension Poultry Marketing Program:

1. Poultry Department of VPI
2. Virginia State Poultry Federation
3. Virginia State Chain Store Council
4. Virginia Independent Food Dealers Association
5. Poultry Processors and Distributors
6. Virginia State Department of Agriculture
7. Federal Extension Service
8. VPI Agricultural Economics Department Research Personnel
9. County Agricultural Agents

1954 Calendar of Work

R. J. Krueger

Associate Extension Agricultural Economist

| Activity / Days*   | Dec.      | J         | F         | M         | A         | M         | J         | J         | A         | S         | O         | N         | Total      |
|--|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| "Market Review of Peep and Moo" .....                    | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 3         | 36         |
| Outlook .....  |           | 5         | 2         | 3         |           |           |           |           |           |           | 6         | 10        | 26         |
| Radio and Press Releases .....                           | 6         | 6         | 5         | 6         | 5         | 5         | 6         | 4         | 4         | 5         | 6         | 3         | 61         |
| County Poultry Meetings .....                            | 1         | 1         | 1         | 1         | 1         | 1         | 1         | 1         |           | 1         | 1         | 1         | 11         |
| Research .....   | 3         | 1         | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 5         | 1         | 2         | 47         |
| Field Contacts .....                                     | 5         | 5         | 6         | 5         | 5         | 7         | 5         | 5         | 5         | 6         | 6         | 5         | 65         |
| Program Planning and Subject Matter<br>Preparation ..... | 6         | 5         | 4         | 3         | 4         | 2         | 4         | 4         | 5         | 5         | 3         | 2         | 47         |
| Field Work in Cooperation with Other<br>Agencies .....   | 2         | 0         | 0         | 0         | 3         | 3         | 2         | 4         | 4         | 1         | 0         | 0         | 19         |
| <b>Total .....</b>                                       | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>26</b> | <b>312</b> |

(\*Subject to adjustment for service work and office routine, meetings, conferences, reports, and leave of absence.)

PLAN OF WORK FOR HARRY M. LOVE  
As Project Leader

Situation: The requests for assistance are so numerous that it is necessary to continuously strive for coordination of effort which will increase the effectiveness of the personnel available. In addition to this, the project leader finds it necessary to devote a considerable portion of his time to exploring ways to more effectively use known techniques and procedures in putting across timely economic information. This consists of finding ideas and helping to develop them to the extent of demonstrating their practical usefulness.

Objective: The most pressing problem is that of coordinating the use of our limited personnel in order that we may give farm people the maximum amount of effective assistance in solving their problems. It will be most difficult to meet currently pressing needs as they develop and avoid impairment of such long-time objectives as:

1. To devise ways for increasing the effectiveness of the limited personnel in this department.
2. To, insofar as possible, anticipate the needs of Virginia farm people for assistance with their economic problems and be prepared to give appropriate help as needed.
3. To find ways to integrate as much of the emergency assistance with the long-time objectives for extension activities in farm management, marketing and the several other important phases of our work.
4. To expand the work in farm business accounts and promote individual farmer interest in studying his own situation to find ways for increasing efficiency.
5. To aid farmers in making decisions as to opportunities in capital-labor substitutions and developing sound practices in financing their operations.
6. To improve the land tenure situation by informing farmers of steps necessary for the proper transfer of property through inheritance and ways for improving their rental arrangements.
7. To keep Virginia farmers informed of changes in economic conditions and their possible significance.
8. Informing farm people of the many considerations in shaping a program of public policies for agriculture.

Procedure:

Each staff member will be requested to look for ways to make economies in the use of his time and more effectively coordinate his work with that of others. All personnel will be asked to weigh more carefully the opportunities in making alternative approaches to assisting farmers, i.e., the preparation and release of a news story vs. going to a small meeting which might require the same effort.