

A STUDY OF THE METHODS OF MARKETING
KANSAS LIVESTOCK

by

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INTRODUCTION

The methods of marketing livestock are of major importance to the livestock producer. The ability to analyze the market situation when the animals are ready for market is as important as the preparation of the livestock for marketing.

In the early days of the livestock industry, the farmers outlet for his stock was limited to selling to some local buyer or shipping to some central market. In the last decade there have been changes in the methods of marketing and in the marketing situation. The use of the automobile and radio has placed the farmer in direct daily contact with the market and with marketing information.

The stockman's ability to analyze market conditions depends upon his initiative and his ability to interpret market information. The depressing period through which the livestock producer has just passed has made the producer realize that the cost of marketing is just as important as the price received for his livestock and has caused the farmer to use any method of marketing which lowers the cost of marketing. As a result there has been an increase in the number of methods of marketing which

may or may not be advantageous to the producer.

REVIEW OF LITERATURE

Research studies dealing with the methods of marketing Kansas livestock are relatively few in number. There are, however, a good many investigations that have been made in other states and general investigations have been carried on by the Federal Government. The following is a review of the literature dealing with the subject.

The extent to which the various methods of marketing livestock are utilized by farmers was shown by the report of the United States Department of Agriculture on the direct marketing of hogs (13). Out of 10,500 questionnaires sent to producers to determine their preference as to methods of marketing hogs, 36 percent favored public stockyards, 23 percent favored local buyers, 11 percent favored packing plants, 21 percent favored marketing through cooperative shipping associations, 3 percent favored concentration yards and buying stations and 3 percent favored auctions. The reasons given for these preferences were; (1) better returns for two-thirds of those who favored direct selling and one-fourth of those who favored public stockyards, and (2) more competition was cited by

36 percent of those favoring public stockyards and 20 percent by those favoring auctions.

Direct marketing is the oldest form of marketing. When the drovers of early times took their livestock to a designated place in the city or town where seller and buyers met to haggle over the price, the result was direct marketing. Again the early history of the United States shows where drovers made long drives over the Alleghenies to cities along the eastern seaboard and sold their droves direct to the slaughterer. In the present day sense of the term "direct marketing" means sale by the producer direct to an establishment that prepares animal products for the retail market. This method of marketing has received considerable notice in the last decade. Many factors contribute to the use of this method. Ashby (1) found three predominating principles favoring direct marketing: (1) preferential fresh meat freight rates from interior packers enabling them to undersell competing packers in a large part of the United States and making it almost impossible for outside packers to buy interior territory hogs to process them at their own plants and sell the products in competition with products from the interior plants; (2) the freight tariffs that discriminate against terminal markets and favor local markets and in effect creating toll gates

against use of the terminal markets by stockment; (3) the practise of the railroads in furnishing yard facilities for local market operators.

In opposition to the theory that direct marketing has a tendency to have a bearish effect upon livestock prices, the United States Department of Agriculture on the direct marketing of hogs (13) found that direct marketing of hogs has not lowered the general level of hog prices nor has it operated to reduce returns to producers. He found that it has not reduced competition for hogs and that there are no fixed differences between public markets and interior points in general. The study shows that direct marketing has not operated to the disadvantage of the hog producer but there is need for Federal supervision of weighing and grading at privately owned yards.

The first terminal market in Kansas was established at Kansas City. McCoy (9) found that in 1871 a stock company was formed for the purpose of operating a transfer and feeding yard for cattle, hogs, sheep and horses and that the first commission house was established by Wm. A. Rogers.

The cooperative livestock shipping association is one of the older methods of marketing. The objectives sought

by cooperatives as outlined by Miller and Shepard (10) are,

"Agricultural cooperatives have pursued various goals in the past, and not all of these goals have been sound. We will deal with the three most important ones--first, with 'cooperation for monopoly control', according to this theory the objective of cooperative livestock marketing is to organize the bulk of the growers into one single system. The aim is to get the bulk of the commodity into strong hands. Such a cooperative would then 'have something to say about the price of hogs' or in bolder statements, 'would be able to dictate the price of hogs'; second, the idea here is that cooperatives, by going into competition with private dealers, will narrow the margin between the price the consumer pays and the price the producer receives, and will therefore raise prices to the farmers; third, there are two different views as to the place of cooperatives in the marketing structure. The first view is that a cooperative marketing association takes the place of its individual members and the second view, is that cooperative marketing agencies are a species of middlemen."

Christensen (4) stated the four fundamental principles necessary for the success of a cooperative are: (1) serving an economic need, (2) ably managed, (3) soundly financed, and (4) intelligently supported by its members.

Ashby (2) found that the problems of a cooperative are: shipment of members' livestock at lower expense than buyers could afford to handle it; reduction of buyers margins on practically all stock sold in shipping association territories, including that of non-members; and sale of each owners' animals on a terminal market, returning to

each the actual returns according to grade, quality, and condition. These are some of the results achieved by livestock shipping associations in Illinois.

Ashby (2) states that the problems of the livestock shipping association are believed to include the following: (1) volume of business--how to increase it, (2) the trucking question, (3) direct buying--how to deal with it, (4) increase of small stockyards, (5) how to obtain and to maintain effective membership contact, (6) development of better records and accounts, (7) the question of preferential rates, and (8) membership contracts.

The probable increase or development in cooperative marketing will be dependent on certain factors. Johnson and McNulty (7) say,

"Developments in livestock marketing seem to point to the fact that the future will see shipping associations continuing to be important agencies for marketing livestock in Minnesota. There may be fewer associations, but those in operation are likely to be larger, more efficiently managed, and engaged in a program of selecting carefully the outlets for livestock reducing waste in marketing, and providing the packer with livestock more uniformly high in quality."

The mortality among shipping associations as noted by the Department of Agriculture (13) and Johnson and McNulty (7) is greatest in those areas nearest the public livestock markets also in those states where the on track

direct buying method has not been developed. Furthermore, the desire of farmers to avoid market costs at public stockyards and the charges of cooperative associations have contributed to the mortality of shipping associations.

The use of the truck in marketing livestock is fast assuming a dominant place. Phillips (11) found that in each epoch of American history livestock has been marketed by some dominant form of transportation and each has been successively superceded by another. He also found that the advantages of transporting livestock to market by truck as stated by farmers may be summarized as follows: (1) dispatch of service, (2) convenience of service, (3) economy of service, (4) new market outlets furnished, and (5) better understanding of market requirements and market conditions.

Some of the problems confronting those who truck livestock as found by Ashby (3) are the factors influencing the establishment of rates and this may be subdivided into: (1) intensity of trucking competition, (2) introduction of larger trucks with lower rates in some sections, (3) competition by well organized and well managed shipping associations, (4) mileage and distribution of hard roads, (5) development of back-haul business, (6) truck rate wars,

and (7) comparative freight rates. Transportation, particularly as it involves the matter of making necessary adjustments between motor and rail is one of the basic questions before the livestock industry today. It is a problem of many phases, of rapid and continuous development and of great significance. Stockmen are beginning to realize that, depending upon the course of its development, the increasing use of motor transportation may change the entire livestock marketing system. Trucking, for example, may encourage the establishment of innumerable small markets at the expense of the present terminals. It probably has accelerated direct marketing. It may tend toward further decentralization of the packing industry. It has impeded operation of local cooperative livestock shipping associations, yet if properly used, it could well contribute to an effective farmer-owned and controlled livestock marketing system.

The advantage of shipping by truck, according to Wiley (15) is that the driver is at hand to see that hogs are riding comfortably, and to take precautionary measures to prevent losses. Still another advantage is that the truckload can be, and generally is, hauled under the most favorable temperature conditions. In most cases the truck is a more convenient and flexible mode of transportation

than is the railroad. Its door-to-door service, direct from the feedlot to market is one of its important advantages compared with the railroad. When the decision is made to sell hogs it is not necessary to wait a day or two to secure a car. The small feeder can get his single truckload of hogs to market at once, without the delay of waiting until others are ready to sell so that a carload can be shipped. The large operator, who feeds a carload or more of hogs, often finds advantages in trucking. Some hogs gain more rapidly than do others, and the heavier ones can be sold, a truckload at a time, without the delay and inconvenience of waiting until the lighter ones have reached a desirable market weight. Marketing in this way distributes the sales over several days, instead of concentrating them on one day, which may be an advantage in securing better average prices.

Wiley (15) also says that there are several factors that can be pointed out that might tend to make truck losses lower than those of the railroad for comparable distances. One is that most truckloads of hogs come from one farm, relatively few loads containing hogs that are strange to each other, compared with shipments by rail. Hogs assembled from several farms are more likely to fight and quarrel than those that come from one farm. The

tendency of this factor would be to increase losses on rail shipments compared with trucked hogs.

Thomsen and Fankhanel (12) found that in 1930 for the state of Missouri as a whole, it cost more to market sheep by truck than it did by rail, at all distances. For hogs, truck shipment was cheapest up to around seventy miles, while the two methods were approximately the same for cattle up to about fifty miles, after which truck shipment became more expensive.

The community auction ring is a comparatively new method of marketing and its influence is particularly noticeable in all parts of the country. The United States Department of Agriculture (13) reports that auction markets provide an easily accessible outlet for the farmer's livestock. In some areas the increase in the number of auctions has tended to reduce the volume of livestock received at public markets. In sections where livestock is produced on a limited scale, the assembling of livestock in such numbers as to attract outside buyers has proved to be distinctly beneficial. Since the sales have no direct effect on the general packer competition, their utility must be judged largely by local conditions.

Henning (5) says that,

"Whether auctions will continue to become a more dominant part of our livestock marketing system can not be foretold at this time. Most of the farmers answering our questionnaire were satisfied with the auction methods of selling. At the present time in Ohio the auction is becoming a very dominant factor in our system. Other livestock marketing agencies will have to reckon with this sort of marketing, and if the auction continues to hold the attention of the farmer will undoubtedly increase their volume of business."

PURPOSE OF STUDY

The purpose of this study was to determine as far as possible how Kansas livestock is marketed; first, if the type of farming in any particular area tends to develop a method of marketing; second, what influences are operating to bring about changes in the methods of marketing; third, are these forces of a permanent or temporary nature due to the depressing condition through which the livestock industry just passed; fourth, to what extent each method was used by the producer; fifth, was any method more adaptable to one class of livestock than to another. No similar study has been made of all the methods of marketing livestock though some phases have been treated separately in other studies. It is hoped that this study will stimulate interest which may lead to further study on some of the more recent developments in marketing.

SOURCES OF DATA

Data for this study were secured by personal interviews and through the use of questionnaires from managers of interior packing plants, managers of cooperative shipping associations, managers of community auction sales, and county agricultural agents. Other data were secured from the United States Department of Agriculture, Bureau of Agricultural Economics; Report of the Kansas State Highway Commission; and the Kansas State Highway Commission, Committee on Port of Entry.

PROCEDURE

Information was obtained relative to: (1) methods of marketing livestock in particular areas; (2) types of purchasers and percent of various classes of livestock purchased by each type; (3) methods of doing business; (4) date of first organization; (5) capitalization, if incorporated; (6) volume of business; (7) charges for selling; and (8) the area covered by the organization and the source of its purchases.

This study was limited to the following methods of marketing Kansas livestock: (1) selling locally to a direct packer buyer, selling direct to a packer located on

or near a terminal market, or those country buyers who buy in such a way that they are protected from a market break during the buying or assembling period; (2) selling to a cooperative shipping association, (all forms of cooperative selling or grading were classed under this method); (3) selling to a local butcher or small interior packer; (4) selling on a terminal market after shipping the livestock by rail; (5) selling on a terminal market after shipping the stock by truck; and (6) selling at a local community or auction sale.

The study included five classes of livestock, namely, fat hogs, stock hogs, fat cattle, stock cattle, and sheep. All fat hogs whether sows, boars, or butchers were thrown into one class as the buyer of fat hogs is often a different type of buyer than the buyer of thin sows and shoats. Thin sows, light shoats, and pigs were classed as stock hogs. Thin cattle of all weights, breeds and sex were classed as stock cattle. All other cattle were classed as fat cattle. All sheep and lambs were considered as sheep. Few feeder lambs are produced within the state and there is little trading in farm ewe flocks. The principal problem in the marketing of Kansas sheep is the selling of native fat lambs.

The type-of-farming areas of Kansas, according to

Hodges, Elliot and Grimes (6), were used. They are as follows: (1) general farming; corn, wheat, oats, fairly well balanced; (2) general farming; corn important with considerable hay and pasture, dairy and poultry more important than area 1; (3) general farming; dairying or the production of whole milk is important; (4) the corn-belt area; corn and hogs are the most important enterprises; (5) the long-grass grazing region, (the Blue Stem Belt); (6a) characterized by the production of wheat; oats and alfalfa are important; (6b) characterized by the production of wheat; oats and alfalfa important, dairying more important than in area 6a; (7) wheat is the important crop in this area; more pasture than in area 6 but livestock on the whole is less important; (8) the western portion of the corn belt; corn and hogs less important than in area 4, wheat is important; (9) wheat is the important crop, comprising a larger percent of the farm acreage than in any other area; (10a) wheat is the important crop; grain sorghums are the important row crop, pasture and beef cattle are important; (10b) wheat is the principal crop; less beef cattle and pasture than in area 10a; (10c) wheat is the important grain crop; more pastures and cattle than in either 10a or 10b; (11) wheat ranks first in this area but corn and barley are important; beef cattle and pasture

are also important; and (12) this is the short grass grazing region.

As far as possible, the material was analyzed to answer the following questions; What factors influenced producers to sell by a particular method? Were certain classes of livestock sold by one method while other methods were utilized in selling other classes? What methods of marketing were used in the various type-of-farming areas of the state?

Tables and graphs were used for the purpose of comparison within the state and in some cases were used to show the historical trend of a type of marketing in the United States.

State maps were used to show the location of auction sales, cooperative livestock shipping associations and the extent trucking was carried on in the state. The author recognizes the criticism that the data were compiled from a small sample and for the most part obtained by the questionnaire method.

ANALYSIS AND DISCUSSION OF METHODS

Direct Marketing

Direct marketing may be classified into three groups: (1) selling locally to a direct packer buyer whose plant is on a terminal market, (2) selling direct at the packer's plant on a terminal market, and (3) selling direct to a local butcher or interior packer.

Direct selling has received much publicity in the last ten years because of its rapid increase. There are several reasons for the increase in the use of this method of marketing. The most outstanding reasons are; the cost of marketing on terminal markets, the increase in the number of trucks, the immediate payment for livestock, and the freight rate differences between dressed meat and livestock. The extent to which this method has increased is shown in Table 1, and Figures 1 and 2.

A summary of 98 replies from county agents showing the the percent of Kansas fat hogs, fat cattle and sheep marketed direct and at the public stockyards is given in Table 2 and Figure 3.

County agents were asked to give the percent of each class of livestock in each county sold by the different methods. Table 3 shows the summary for 98 replies.

Table 1. Percentage of Total Livestock Slaughter under Federal Inspection and Source of Purchase*.

Years	Cattle		Calves		Hogs		Sheep	
	Public stockyards	Direct	Public stockyards	Direct	Public stockyards	Direct	Public stockyards	Direct
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1923	89.6	10.4	86.2	13.8	76.0	24.0	86.0	14.0
1924	90.8	9.2	87.1	12.9	78.0	22.0	84.6	15.4
1925	90.7	9.3	87.2	12.8	76.0	24.0	82.4	17.6
1926	89.8	10.2	86.3	14.7	72.9	27.1	84.6	15.4
1927	89.9	10.1	84.3	15.8	67.6	32.3	85.4	14.6
1928	89.9	10.1	85.1	14.9	64.5	35.5	86.3	13.7
1929	89.9	11.1	83.4	16.6	59.8	40.2	84.0	16.0
1930	88.2	11.8	81.8	18.2	59.9	40.1	84.7	15.3
1931	87.3	12.7	79.7	20.3	57.8	42.2	82.7	17.3
1932	84.6	15.4	75.4	24.6	56.9	43.1	80.2	19.8
1933	83.5	16.5	73.7	26.3	56.2	43.8	78.8	21.2

* United States Department of Agriculture (13).

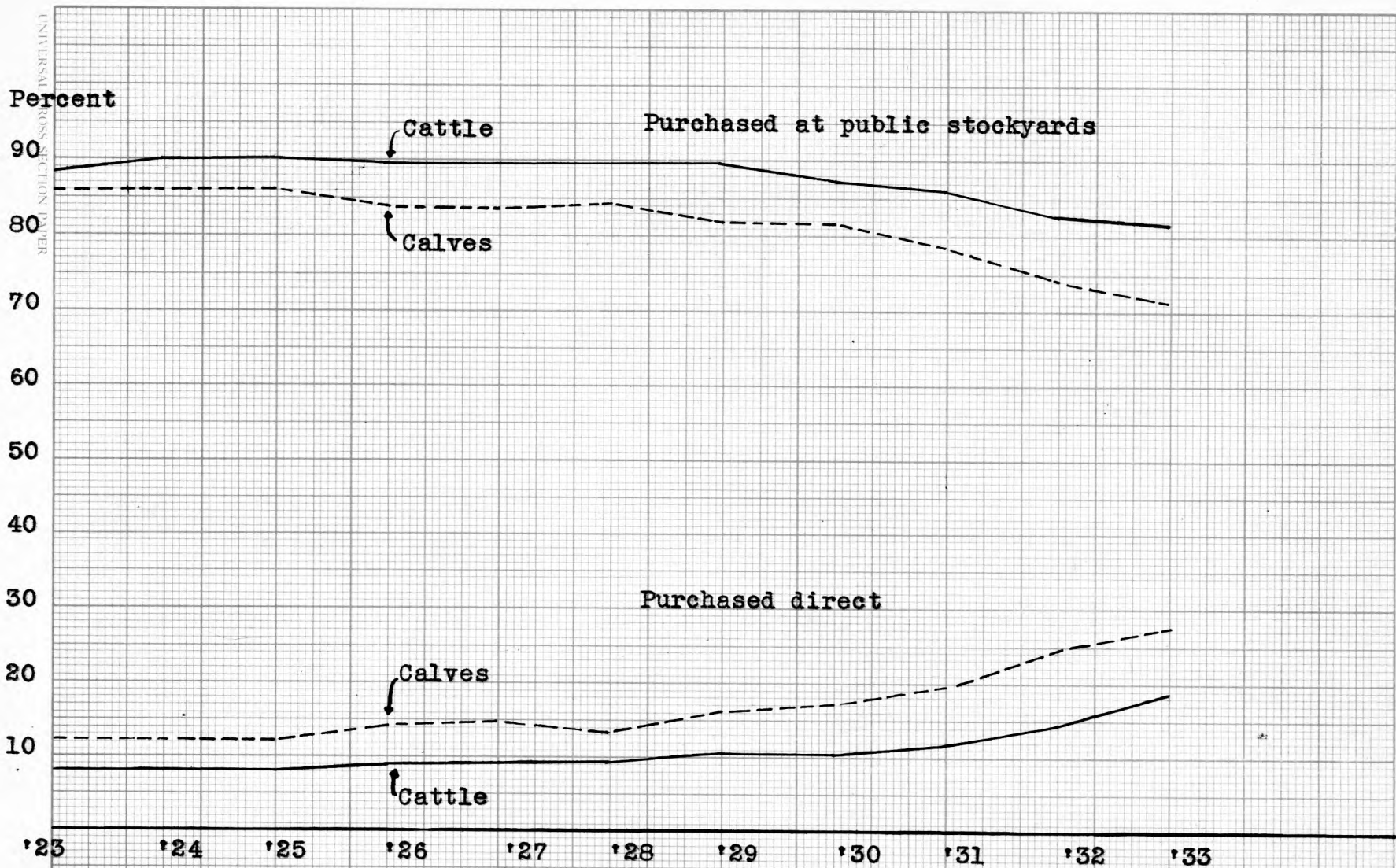


Fig. 1. Cattle and calf slaughter under Federal inspection and source of purchase. (Table 1).*

* United States Department of Agriculture (13).

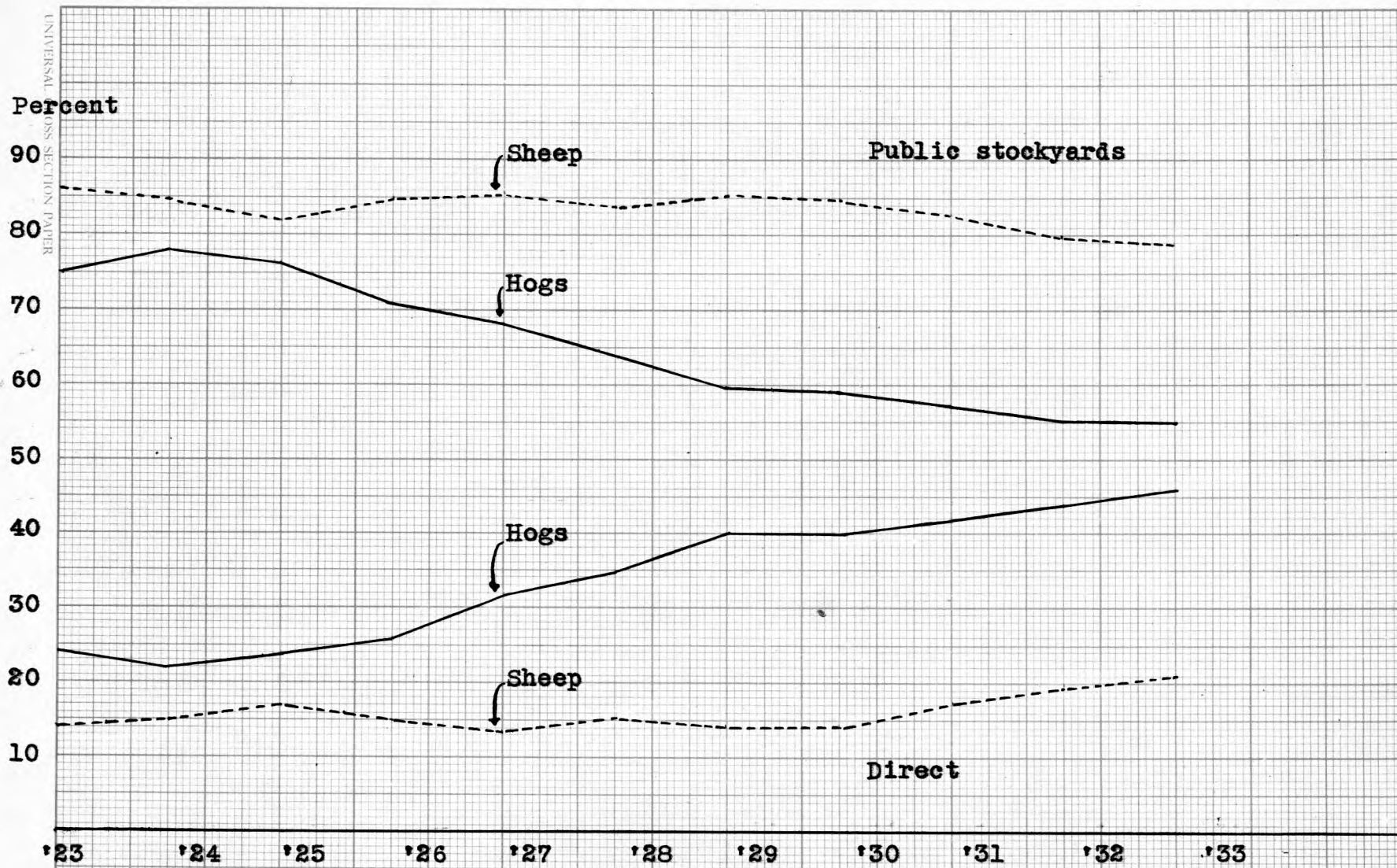


Fig. 2. Sheep and hog slaughter under Federal inspection and source of purchase. (Table 1).*

* United States Department of Agriculture. (13).

Table 2. Percent of Kansas Fat Hogs, Fat Cattle and Sheep Marketed at Public Stockyards and Direct, 1934*.

Method	Fat Cattle	Fat Hogs	Sheep
Marketed at public stockyards	71.9	47.4	72.9
Marketed direct	18.2	39.3	13.6

Table 3. Percent of Kansas Livestock Marketed by the Various Methods of Direct Selling, 1934*.

Method	Fat Hogs	Stock Hogs	Fat Cattle	Stock Cattle	Sheep
Sold locally to a direct packer buyer	20.9	7.9	.7	3.4	5.7
Sold locally to a butcher or small packer	7.3	4.3	4.9	3.5	2.8
Sold direct to a packer's plant on a terminal market	11.1	4.6	6.3	2.2	5.1
Total sold direct	39.3	16.8	18.2	9.1	13.6

* As reported by 98 county agents.

Percent

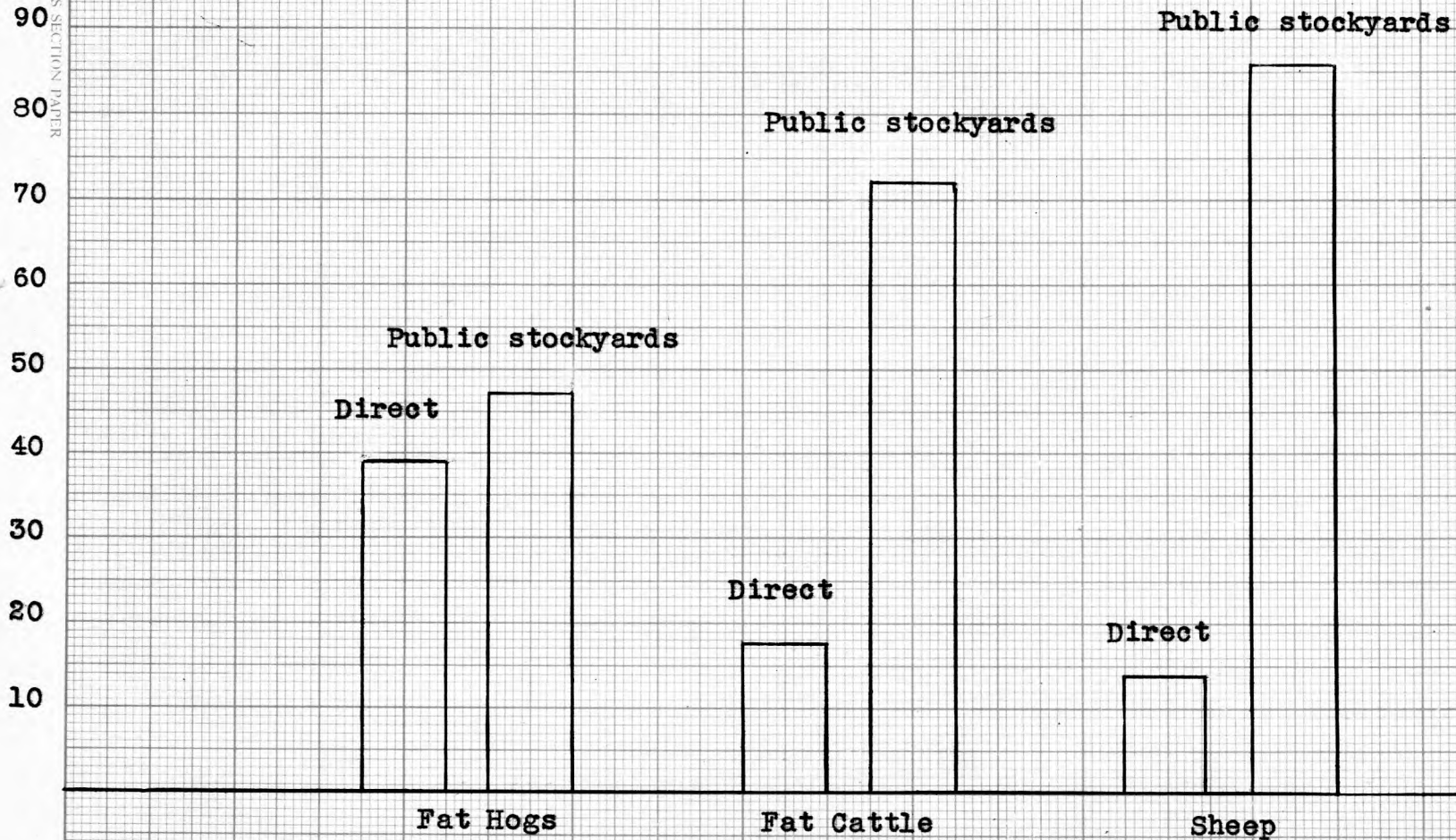


Fig. 3. Percent of Kansas livestock marketed direct and through public yards. (Table 2). *

* As reported by 98 county agents.

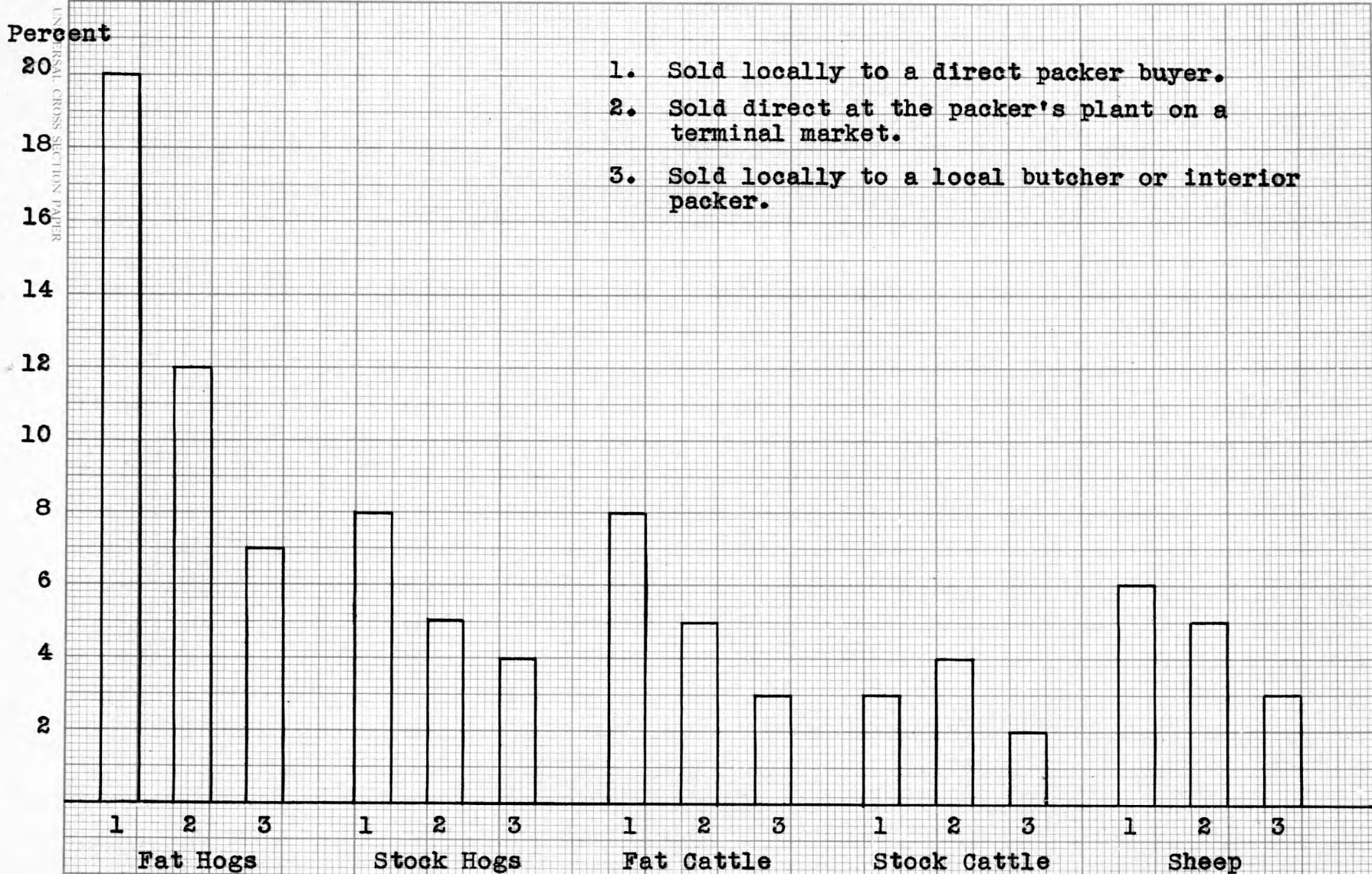


Fig. 4. Percent of Kansas livestock marketed by the various methods of direct selling. (Table 3). *

* As reported by 98 county agents.

An analysis of the data presented shows that there is a close relationship in percent of livestock marketed by direct methods in Kansas and the United States. The report of the United States Department of Agriculture on the direct marketing of hogs (13) shows 16.5 percent of the cattle, 43.8 percent of the hogs, and 21.2 percent of the sheep marketed by direct selling and Kansas shows 18.2 percent of the cattle, 39.3 percent of the hogs, and 13.6 percent of the sheep. (Tables 1 and 2). A larger proportion of the hogs are marketed direct than any other class of livestock. This may be accounted for by the fact that hogs fit into every class of farming more readily than any other meat animal.

The method of selling locally to a direct packer buyer predominates. Selling direct to a packer whose plant is on a terminal market is the second most important method. Selling locally to a butcher or small packer ranks third. (Table 3). The above statements would indicate that the small or general farmer who does not produce in carload lots or is not a member of a cooperative shipping association disposes of his livestock locally with the least expense and trouble.

According to type-of-farming areas, selling locally to

a direct packer buyer shows areas 1, 3, 4, 6a, and 12 with a larger percent marketed by this method than any of the other areas. Areas 1, 3, and 4 are relatively close to packing centers, namely, Kansas City, Pittsburg, Joplin, Leavenworth and St. Joseph, Missouri. It is convenient for the producer to deliver his stock direct to the packing house and avoid freight. These areas are typically regions of small farms, seventy-five percent of which do not exceed 175 acres. The number of livestock produced rarely exceeds that which can be marketed by the transportation available on this type of farm. Area 6a shows a relatively large percent marketed by this method.

Selling direct to the packer's plant on a terminal market is more evident in areas close to large packing centers such as Kansas City. The farmer can truck his livestock direct to the killer. Areas 2, 3, and 4 are of this type. General farming is followed in this region. Livestock is normally produced in less than carload lots and seventy-five percent of the farms are of less than 175 acres. (Table 4 and Figure 6).

Terminal Markets

The terminal market is still the dominant market in Kansas. It handles about eighty percent of the cattle,

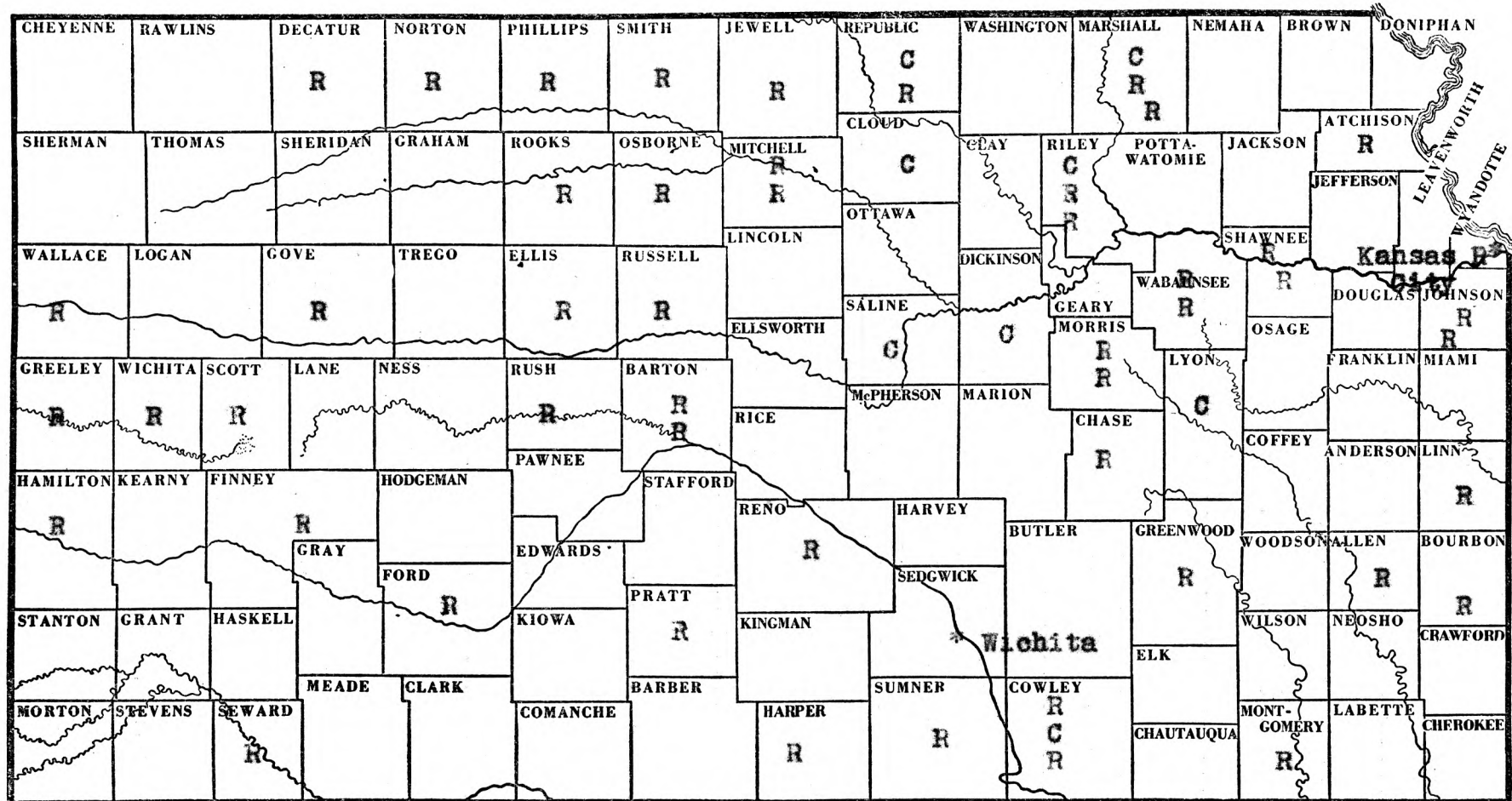


Fig. 5. Map of Kansas, 1934.

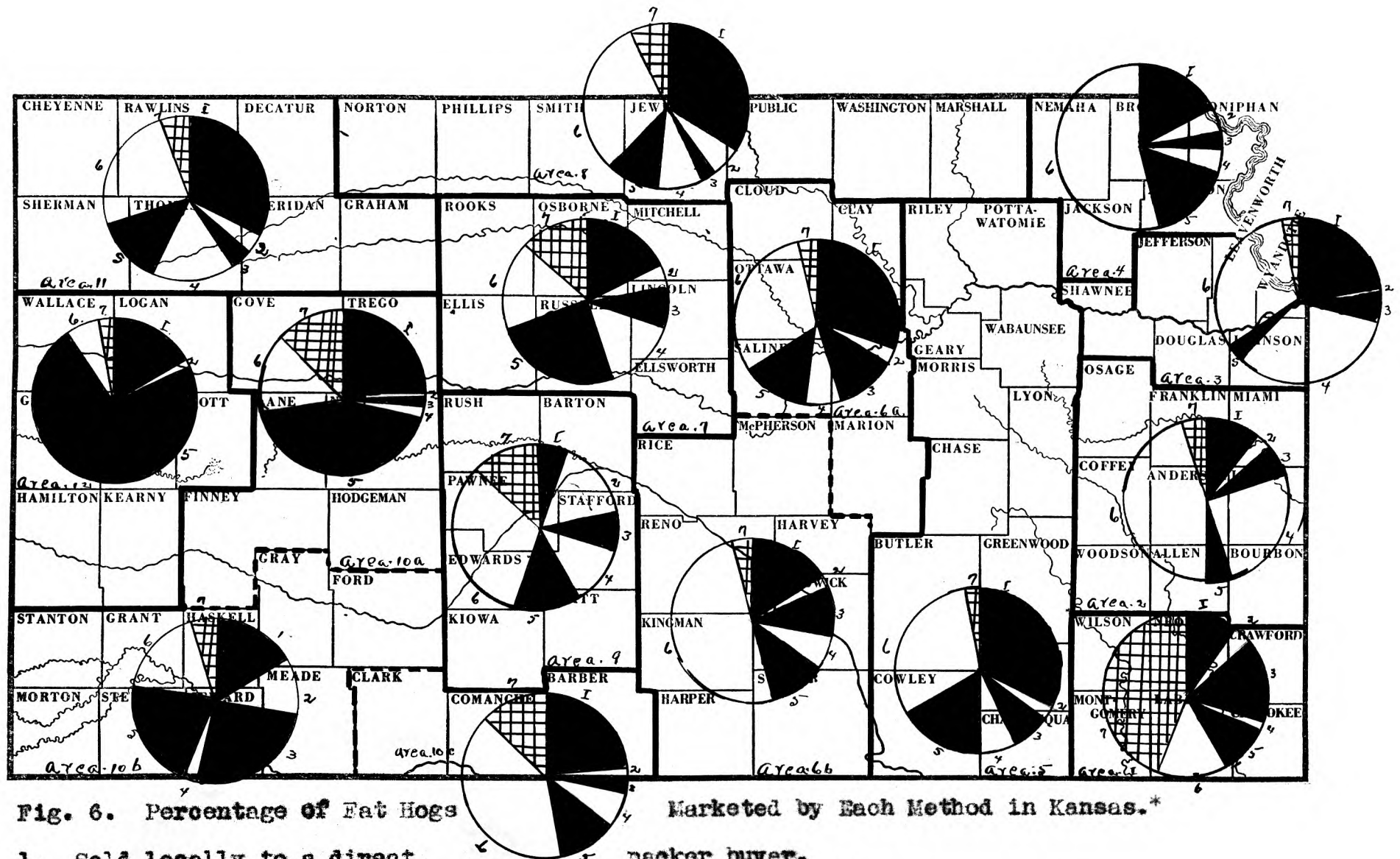
1. C--location of concentration yards.
2. R--reload stations.
3. *--terminal markets

Table 4. Percentage of Fat Hogs Marketed by Each Method in the Type of Farming Areas of Kansas.*

Type of farming areas	Methods of Marketing							Total
	1	2	3	4	5	6	7	
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1	11.0	1.6	16.4	1.0	10.0	15.0	45.0	100
2	11.4	0.8	6.2	28.3	4.0	45.0	4.3	100
3	24.2	0.0	8.5	33.8	3.3	28.0	2.2	100
4	14.4	5.0	3.6	19.0	3.0	55.0	0.0	100
5	32.0	4.1	6.2	9.0	13.3	32.7	2.7	100
6a	28.9	0.2	13.0	6.7	12.0	35.7	3.5	100
6b	17.5	3.1	9.0	6.8	10.6	49.9	3.1	100
7	16.5	5.0	8.3	17.2	24.2	16.8	12.0	100
8	38.0	6.7	2.0	7.5	11.5	26.3	8.0	100
9	7.0	14.6	7.6	11.4	15.2	31.1	13.1	100
10a	23.9	2.2	1.7	0.3	34.6	18.9	18.4	100
10b	15.9	12.6	23.2	0.6	24.4	17.7	5.6	100
10c	21.7	1.7	1.3	8.0	11.7	42.3	13.3	100
11	33.6	3.0	2.6	17.4	16.4	22.9	4.7	100
12	18.4	0.8	0.0	0.0	71.4	8.5	.8	100
Total	20.9	4.1	7.3	11.1	17.7	29.7	9.2	100

(see Fig. 6 for description of methods of marketing).

* As reported by county agents.



* As reported by county agents

seventy-five percent of the sheep, seventy percent of the calves and fifty-five percent of the hogs marketed in Kansas. (Table 1 and Figures 1 and 2).

The process of selling through a terminal market is quite complex and due to this fact a great deal of the criticism of terminal market arises. On close analysis, however, the rules and regulations governing the operation of these markets are for the benefit of the shipper.

A resume of the methods of operation is offered as proof of the above statement. The shipper, after loading his stock at the shipping point, consigns his livestock to one of the commission firms, operating on a terminal market. Commission firms are members of the livestock exchange which maintains rigid supervision of the operations of its members. The livestock upon arrival at the terminal market is unloaded and counted by the stockyards company. It is then delivered to the consignor. A commission firm cannot buy or speculate with a consignee's livestock. It should at all times attempt to sell at the best price to a buyer other than its own commission firm.

Terminal markets are under the supervision of the United States Packers and Stockyards Administration.

Marketing by rail on a terminal market is one of the predominating methods for the entire state, especially in

the large grazing areas of the Blue Stem Belt and the short grass regions of the south central and southwestern part of the state. In these areas cattle are shipped in from the southwestern portion of the United States to be finished out on the grass. The farms are mostly pasture lands with a small percentage under cultivation.

The size of the herds and the distance from the markets gives the railroad a decided advantage in marketing the products from this type of farm. Sixty percent of the farms exceed 260 acres. Areas 7, 9, 10c, 11, and 12 show a large percent of their stock marketed by rail. (Table 5 and Figure 7).

Cooperative Shipping Associations and Lamb Grading Associations

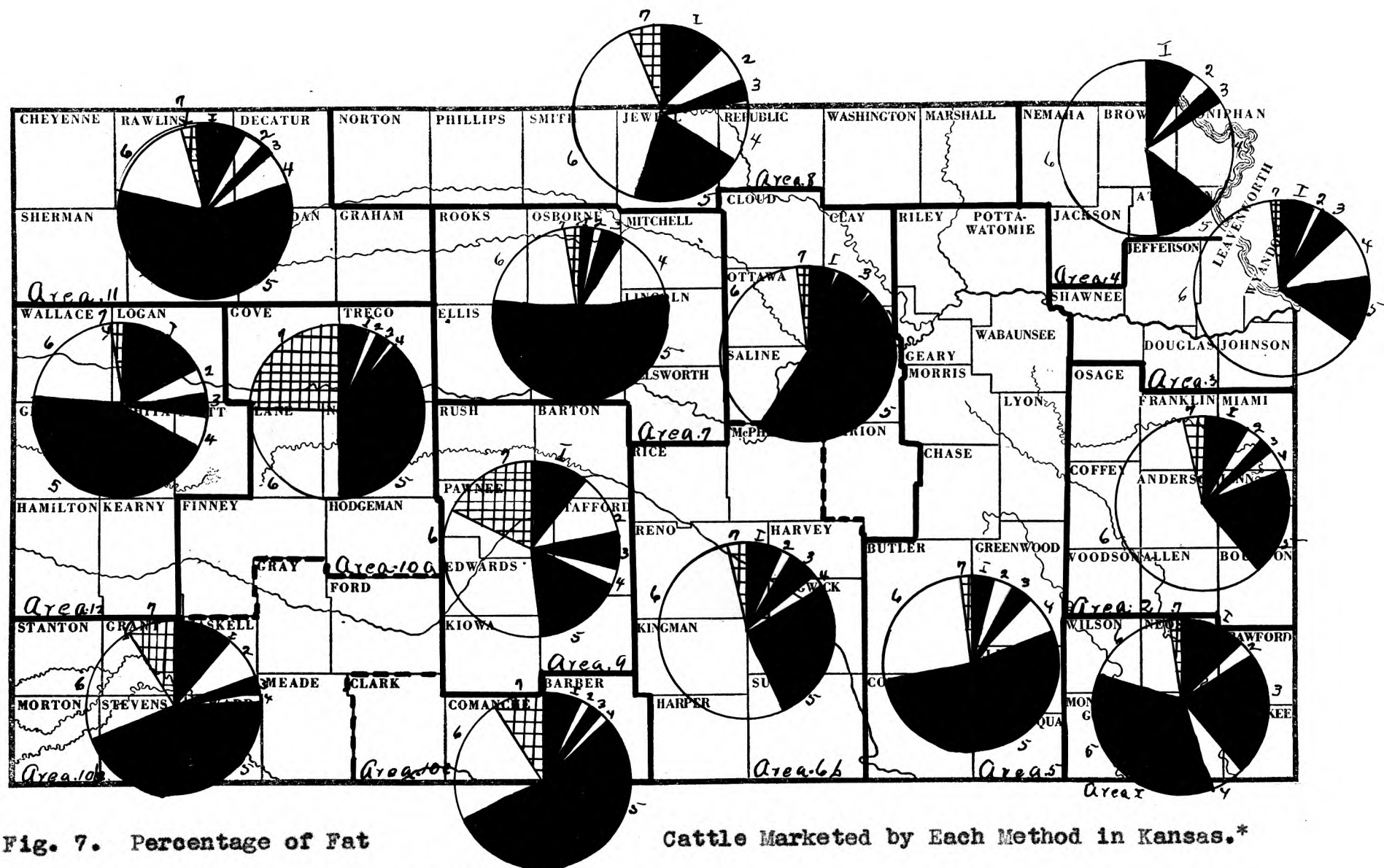
Information was obtained from thirty-one of the eighty-one cooperative shipping associations on record. The oldest shipping association reported was at Kensington, Kansas, organized in 1892, followed by the association at Athol, Kansas, organized in 1898. Three of the associations were organized in the period 1891-1900, one in the period 1901-1910, three in the period 1911-1920, thirteen in the period 1921-1930, eight in the period 1931-1935, and three reported no date of organization.

Table 5. Percentage of Fat Cattle Marketed by Each Method in the Type of Farming Areas of Kansas.*

Type of farming areas	Methods of Marketing							Total
	1	2	3	4	5	6	7	
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1	13.2	3.0	24.0	8.0	30.2	19.8	1.8	100
2	6.9	3.1	3.1	4.6	21.0	57.4	3.9	100
3	6.6	0.0	3.6	12.0	15.0	62.2	0.6	100
4	6.8	5.0	3.2	16.4	12.0	56.6	0.0	100
5	1.8	3.0	1.9	6.4	56.0	27.6	3.3	100
6a	2.4	0.0	6.3	0.2	48.9	40.2	2.0	100
6b	4.8	1.3	5.5	3.3	29.6	52.9	2.6	100
7	1.0	0.0	4.0	14.0	57.0	21.0	3.0	100
8	12.0	7.8	2.8	11.0	19.4	41.0	6.0	100
9	8.3	10.8	7.9	1.7	19.2	28.3	23.8	100
10a	5.0	0.8	1.5	0.5	40.0	26.4	25.8	100
10b	9.6	11.3	2.7	1.5	46.1	21.9	6.9	100
10c	3.3	0.0	1.0	0.0	60.0	27.3	8.4	100
11	5.0	3.2	2.2	7.8	61.3	18.6	1.9	100
12	18.5	7.0	3.5	6.7	40.8	21.6	1.9	100
Total	7.0	3.8	4.9	6.3	37.1	34.8	6.1	100

(see Fig. 7 for description of methods of marketing).

* As reported by county agents.



1. Sold locally to a direct packer buyer.
2. Sold locally through some form of cooperative organization.
3. Sold locally to a butcher or small packer.
4. Sold direct to a packer whose plant is on a terminal market.
5. Shipped by rail and sold on a terminal market.
6. Shipped by truck and sold on a terminal market.
7. Sold through a community auction.

* As reported by county agents.

Nine associations reported that business for the first half of 1934 was better than the first half of 1933; twenty reported smaller business; and one reported business as being about the same in 1934 as in the first half of 1933.

These associations shipped a total of 691 single decks of livestock in 1933. One association had a total yearly shipment of about 8,000 hogs to Los Angeles, California and other western markets. The number of cars shipped by individual associations ranged from one to 101 cars a year. Twenty-one of the associations reported that the bulk of hogs shipped were sent to an open competitive market, four did not ship to open competitive markets, and six made no reports.

In the preference of terminal markets, twenty shipped to the Kansas City stockyards, one to St. Joseph, Mo., two to Wichita, Kan., and one to Los Angeles, Cal.

The day of the week for shipping livestock was not uniform. Twenty-two of the shipping associations determined the day for shipping after sufficient stock was booked, four associations had a regular shipping day, and five made no report.

Reductions in railroad rates such as the use of trailer rates, double deck rates and minimum load weights have

been obtained by fourteen associations. Fifteen have not been able to obtain or have not tried to obtain such rates. Two associations made no report.

Twenty-four associations kept a day book of all shipments with complete expenses and net returns on each shipment. Three associations kept no record except the bill of sales and three made no reply to the question. Twenty associations marked the stock so that it could be weighed and sold separately on the terminal market. Four did not mark but graded locally, and payment was made on the basis of local grading. Three associations did not mark and gave no method of pro-rating expense when stock was not uniform in grade. Four gave no reply to this question.

The membership fees charged by shipping associations showed considerable variation. Fourteen associations charged no fees, thirteen made a charge, and four did not reply to the question. Fees were as follows: four charged \$1 per year, one charged 50¢ per year, one charged 20¢ per head, one charged 10¢ per head, one charged 5¢ per head, three charged 5¢ for cattle and $2\frac{1}{2}$ ¢ for hogs and sheep, one charged 1% of the net proceeds. Variable fees were charged non-members who shipped through the association. Twenty-five made the same charge to non-members as to members. Four made the extra charge to non-members (the

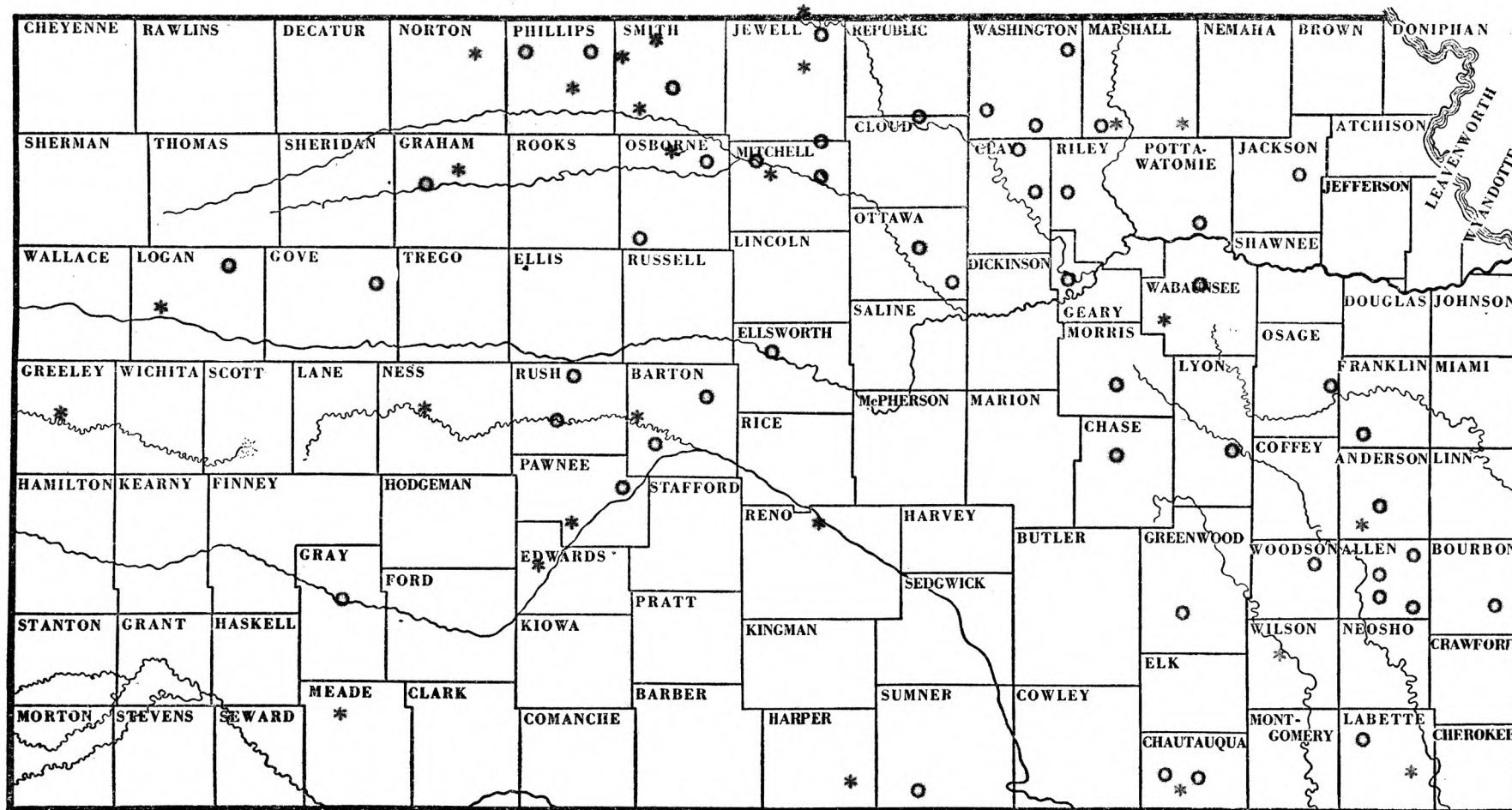


Fig. 8. Location of cooperative shipping associations in 1934.

o Towns having some type of a cooperative shipping association.

* Shipping associations known to be operating in 1934.

amount not stated) and one would not ship for non-members. Four gave no report.

Six associations attributed the decline of cooperative shipping to trucks, four to trucks and direct buying, two to direct buying alone, three to auction and direct buying, three to all of the above combined, five to other causes such as prices charged for feed on terminal markets, discontinuance of railway facilities, scarcity of livestock, types of managers hired, and new terminal markets. Comments such as lack of rail service, abandonment of rail lines, service but once or twice a week were common on the reports of associations in the smaller towns.

Thirteen reports were returned from counties having lamb grading associations. Seven reported associations for both shipping and grading and one for grading only. Four had regularly elected officers and eight were managed through the County Farm Bureau. Two organizations were independent of the County Farm Bureau.

Fees charged for loading and managerial or secretarial services, were as follows: one reported \$5 per car, two reported a charge for loading only, two charged 3¢ per head, and four made no charges.

The total volume of shipments for 1933 by the nine associations reporting was 3,500 head. Approximately 4,500 head were handled by these organizations from January to July, 1934.

The month in which the greatest number of shipments were made was as follows: in 1934, three associations reported the month of May, three reported June, one in July, and one in August. In 1933, one association reported May, three reported June, and two reported July as the month of the greatest number of shipments.

In the reports on grading and marking of lambs it was found that six associations graded lambs at the loading point, three graded at the farm and one graded either at the farm or loading point. Only two associations marked lambs so that they could be weighed and sold separately. In case there were fewer blue lambs (the best grade), than were originally graded, four associations reported that receipts and expenses were pro-rated by the commission firms and five reports showed that this difference never occurred.

Eight associations shipped both wool and sheep and two handled lambs only. Seven preferred to ship by rail and two by truck. Six reported that rail shipment was cheaper and in one case the claim was made that shrinkage

was less by rail. The shipping day for seven associations was set after sufficient number of lambs had been booked. In one instance the shipping day was determined by market trends. None had a regular shipping day. Nine reported that they consigned all lambs to the terminal yards at Kansas City. Seven of the associations consigned to cooperative commission firms, one consigned to an old line commission company, and one made no report.

In summing up the information on cooperative shipping associations, the greatest number was organized in the period 1921-1930. The bulk of livestock was shipped to terminal markets. There seemed to be a decline in the number of cooperative shipping associations and this decline is attributed to trucking and direct marketing. The method of keeping records, what fees were charged, and the selection of shipping days showed a great deal of variation. Cooperative shipping associations are more numerous in the north central portion of the state.

Lamb grading associations tend toward the reverse of the above situation, showing an increase of business for the first half of 1934 over the first half of 1933, with the exception of shipping to a terminal market through cooperative commission firms. This was largely due to the fact that cooperative commission firms have taken the lead

in sending representatives to grade lambs at the shipping point. Another significant fact is that two-thirds of the associations were managed through the Farm Bureau Office which might lead one to believe that shipping associations capably managed by men trained in that work would lead to a strong development along that line.

In a study by types-of-farming areas, it was found that in areas 10a, 10b, 11, and 12 which are in the western part of the state, a large proportion of the stock was marketed by the cooperative method. The fact that it is the wheat producing section of the state indicates that stock raising is less important, and the farmer is willing to market his stock by the method that incurs the least expense and trouble. Especially is this true of livestock other than cattle when sold in carlot quantities.

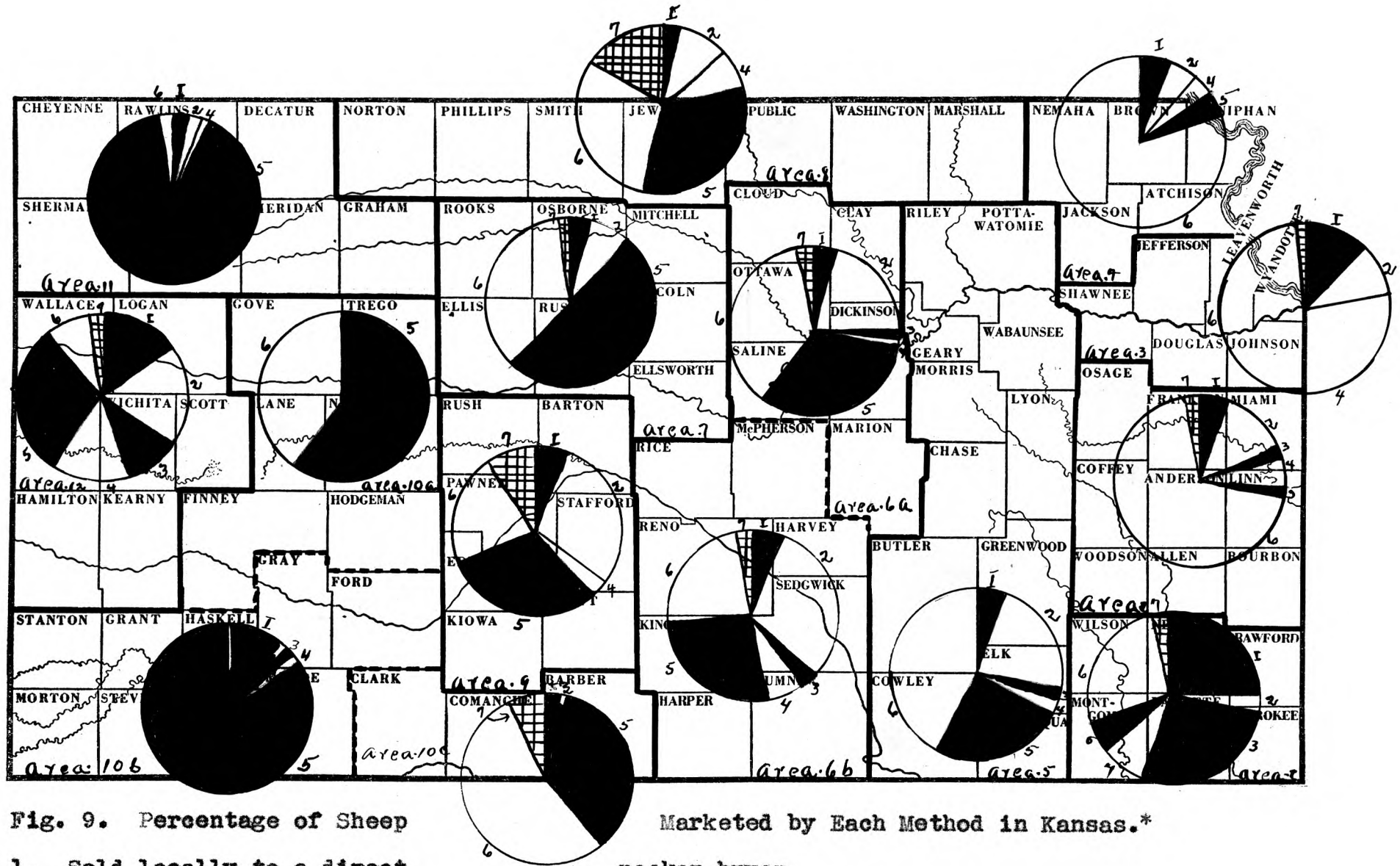
The eastern portion of the state shows a relatively small portion of all stock marketed through a cooperative association. This may be accounted for by the fact that in general farming regions, there is not as much of a tendency to form cooperative organizations as there is in the more specialized grain producing areas. This is shown in areas 6b, 9, 10a, and 12 which are the large wheat producing areas of Kansas and the home of many wheat cooperative associations. (Table 6 and Figure 9).

Table 6. Percentage of Sheep Marketed by each Method in the Type of Farming Areas of Kansas.*

Type of farming areas	Methods of Marketing							Total
	1	2	3	4	5	6	7	
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1	25.0	4.3	26.4	7.4	7.6	28.0	1.6	100
2	1.9	12.2	0.3	5.7	3.1	75.1	1.7	100
3	12.0	0.0	0.0	12.0	0.0	74.0	2.0	100
4	2.5	5.0	0.0	2.5	6.3	83.7	0.0	100
5	4.0	23.2	0.8	2.5	21.3	49.0	0.0	100
6a	0.5	24.2	0.3	0.2	31.3	42.5	1.0	100
6b	4.5	33.2	2.5	6.2	25.6	26.4	1.6	100
7	3.0	7.0	0.0	0.0	54.0	35.0	1.0	100
8	1.8	7.5	0.0	8.3	32.5	34.2	16.7	100
9	4.0	30.0	0.0	4.0	30.0	22.0	10.0	100
10a	0.0	0.0	0.0	0.0	62.6	37.4	0.0	100
10b	10.0	0.0	0.4	10.0	79.6	0.00	0.0	100
10c	0.0	0.0	0.6	0.0	38.9	54.4	6.1	100
11	0.8	1.7	0.0	0.8	95.0	1.7	0.0	100
12	16.8	16.7	12.0	15.8	24.8	12.0	1.9	100
Total	5.7	10.6	2.8	5.1	34.4	38.5	2.9	100

(see Fig. 9 for description of methods of marketing).

* As reported by county agents.



* As reported by county agents.

Community Auction Sales

The community auction sale is a comparatively new method of marketing livestock and its influence is particularly noticeable in all parts of the state.

This study indicates that most of the livestock sold is of the stocker class. The small farmer who produces more than he can feed out sells through the auction sale to the feeders of his own district. This is noticeable in areas where there are both grain farmers and feeders. The grain farmer, not caring to finish his livestock, sells them locally to the feeders of that area. (Table 7 and 8, and Figures 10 and 11).

Data were secured from sixty-five of the 164 auction sales in Kansas. The oldest auction sale listed was organized at LeRoy, Kansas, in January 1918, followed by an auction sale at Hiawatha, Kansas, organized in November 1918. Forty of the sixty-five on which records were obtained have been organized since 1930.

Replies to the questionnaire show that thirty-three of the sixty-five auctions replying held weekly sales, ten held a sale every two weeks, and fourteen every four weeks. Fifteen auctions held their sales on Saturday, five on Friday, six on Thursday, twelve on Wednesday, four on

Table 7. Percentage of Stock Hogs Marketed by Each Method in the Type of Farming Areas of Kansas*

Type of farming areas	Methods of Marketing							Total
	1	2	3	4	5	6	7	
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1	11.0	1.6	16.4	1.0	10.0	15.0	45.0	100
2	1.2	0.0	1.2	7.5	3.6	23.3	63.2	100
3	2.5	0.0	0.3	13.8	6.2	34.2	43.0	100
4	2.5	0.0	0.0	0.0	11.3	31.2	55.0	100
5	8.3	4.2	2.0	0.7	9.3	41.7	33.8	100
6a	22.6	0.0	1.3	7.5	7.8	35.8	25.0	100
6b	7.9	6.7	3.6	1.4	5.9	21.0	53.5	100
7	5.0	0.0	2.0	3.3	25.8	10.5	53.4	100
8	2.5	2.5	14.1	6.7	9.2	10.0	55.0	100
9	3.3	7.5	4.2	15.0	7.5	9.3	53.2	100
10a	10.7	1.3	0.2	0.9	20.9	9.3	56.7	100
10b	12.8	11.8	14.9	4.0	6.5	2.5	47.5	100
10c	1.7	0.0	0.0	0.0	6.7	21.6	70.0	100
11	0.7	2.9	0.0	7.9	13.5	6.3	68.7	100
12	25.8	9.5	5.2	0.2	9.9	5.2	44.2	100
Total	7.9	3.2	4.3	4.6	10.3	18.5	51.2	100

(see Fig. 10 for description of methods of marketing).

* As reported by county agents.

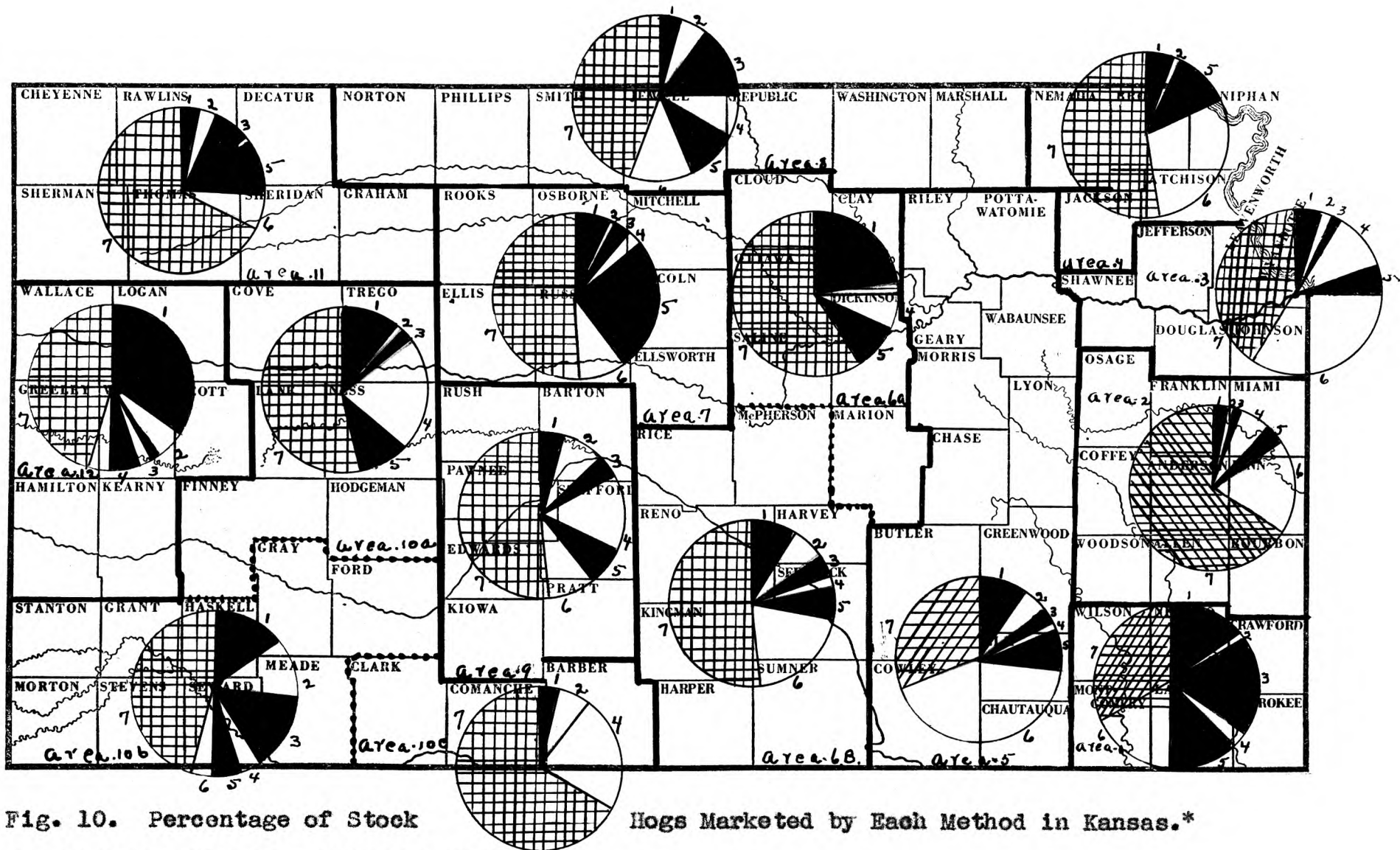


Table 8. Percentage of Stock Cattle Marketed by Each Method in the Type of Farming Areas of Kansas.*

Type of farming areas	Methods of Marketing							Total
	1	2	3	4	5	6	7	
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1	10.0	1.0	19.6	0.6	20.4	13.4	35.0	100
2	1.0	0.0	3.4	5.0	16.8	55.4	18.4	100
3	0.5	0.3	0.3	0.0	16.6	31.2	51.1	100
4	2.5	2.5	0.0	0.0	13.8	57.5	23.7	100
5	1.0	2.3	1.0	0.5	60.0	23.6	11.6	100
6a	5.2	0.0	1.6	1.8	37.7	36.7	17.0	100
6b	0.0	3.1	3.8	3.1	27.5	42.8	19.7	100
7	0.0	0.0	1.0	14.0	44.5	8.5	32.0	100
8	2.4	2.0	14.0	1.0	17.2	38.0	25.4	100
9	0.0	1.2	5.3	1.7	17.5	18.2	56.4	100
10a	6.2	1.7	0.3	0.3	26.5	13.3	51.7	100
10b	7.8	12.0	4.7	3.4	29.9	11.2	31.0	100
10c	5.0	0.0	0.0	0.0	41.7	35.0	18.3	100
11	1.4	2.9	1.5	1.4	32.1	17.9	42.8	100
12	8.7	13.7	0.3	0.7	38.3	15.0	23.3	100
Total	3.4	2.8	3.5	2.2	29.6	27.7	30.8	100

(see Fig. 11 for description of methods of marketing).

* As reported by county agents.

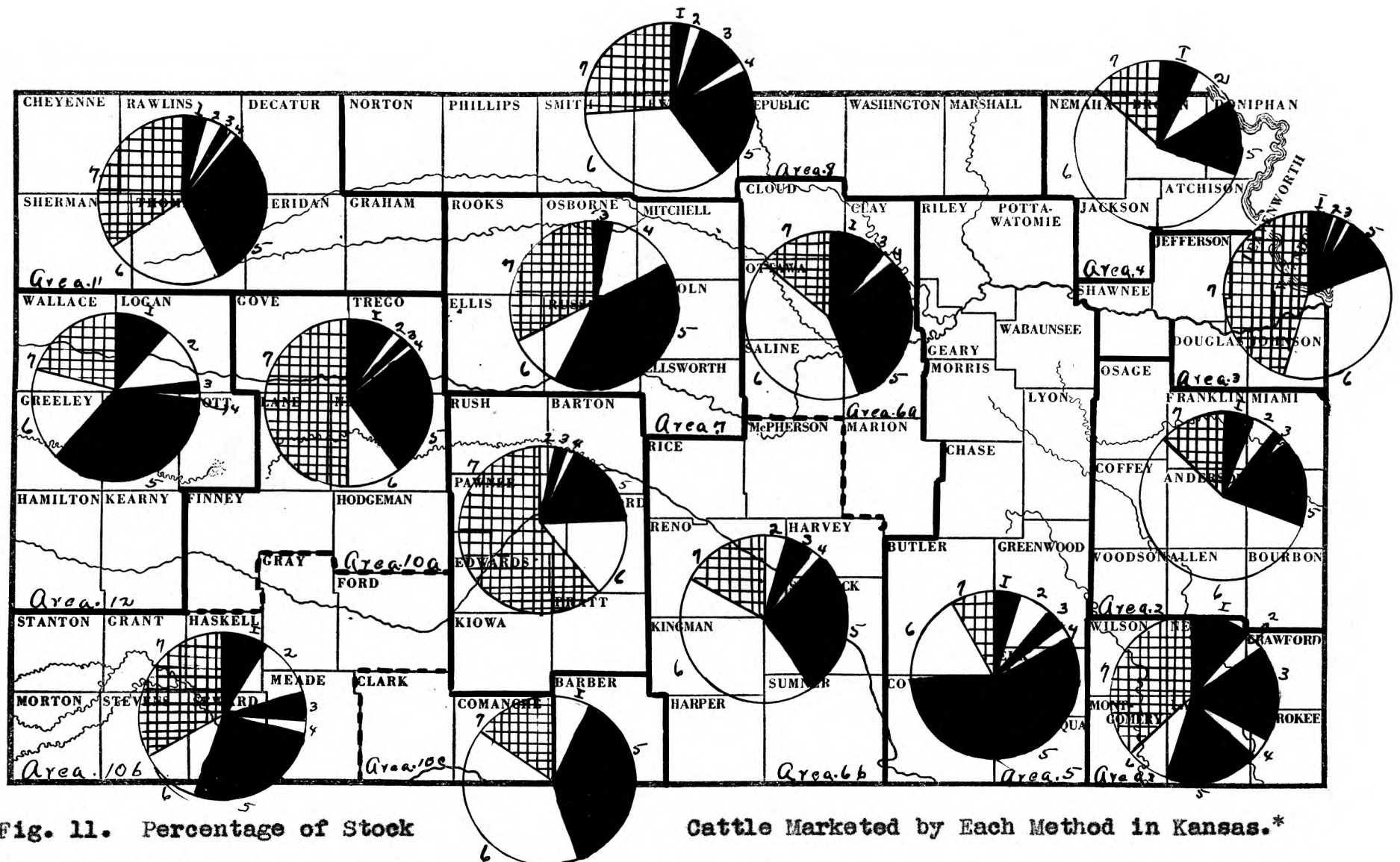


Fig. 11. Percentage of Stock

Cattle Marketed by Each Method in Kansas.*

1. Sold locally to a direct packer buyer.
2. Sold locally through some form of cooperative organization.
3. Sold locally to a butcher or small packer.
4. Sold direct to a packer whose plant is on a terminal market.
5. Shipped by rail and sold on a terminal market.
6. Shipped by truck and sold on a terminal market.
7. Sold through a community auction.

* As reported by county agents.

Tuesday, one on Monday, six did not list a day and eleven made no report.

Of the forty-two replying, nineteen auctions showed a 1934 volume of business greater than that of 1933, eighteen less than that of 1933 and five the same as that of 1933.

The buyers attending auction sales were classed as farmers, truckers, and rail buyers. At thirty-three auctions, farmer buyers were the most numerous; at six auctions, farmers and truckers were equally active; at five auctions, truckers bought the most livestock and at three auctions, rail buyers were the most active. At two auctions truckers and rail buyers were the most active and at one auction all classes of buyers were equally active.

A new building was provided for sales purposes at twenty-one auctions, twenty-three have utilized a worked-over barn or shed and at thirteen no building was provided.

It was permissible for livestock owners to call "no sale" at thirty-nine sales. In eighteen sales it was not permissible to do this. There was no uniformity of charges where "no sale" was called. At eleven auctions no charge was made, eight made the regular charge, fourteen charged one-half the regular charge, two charged one percent, one charged two percent, four charged three percent, six

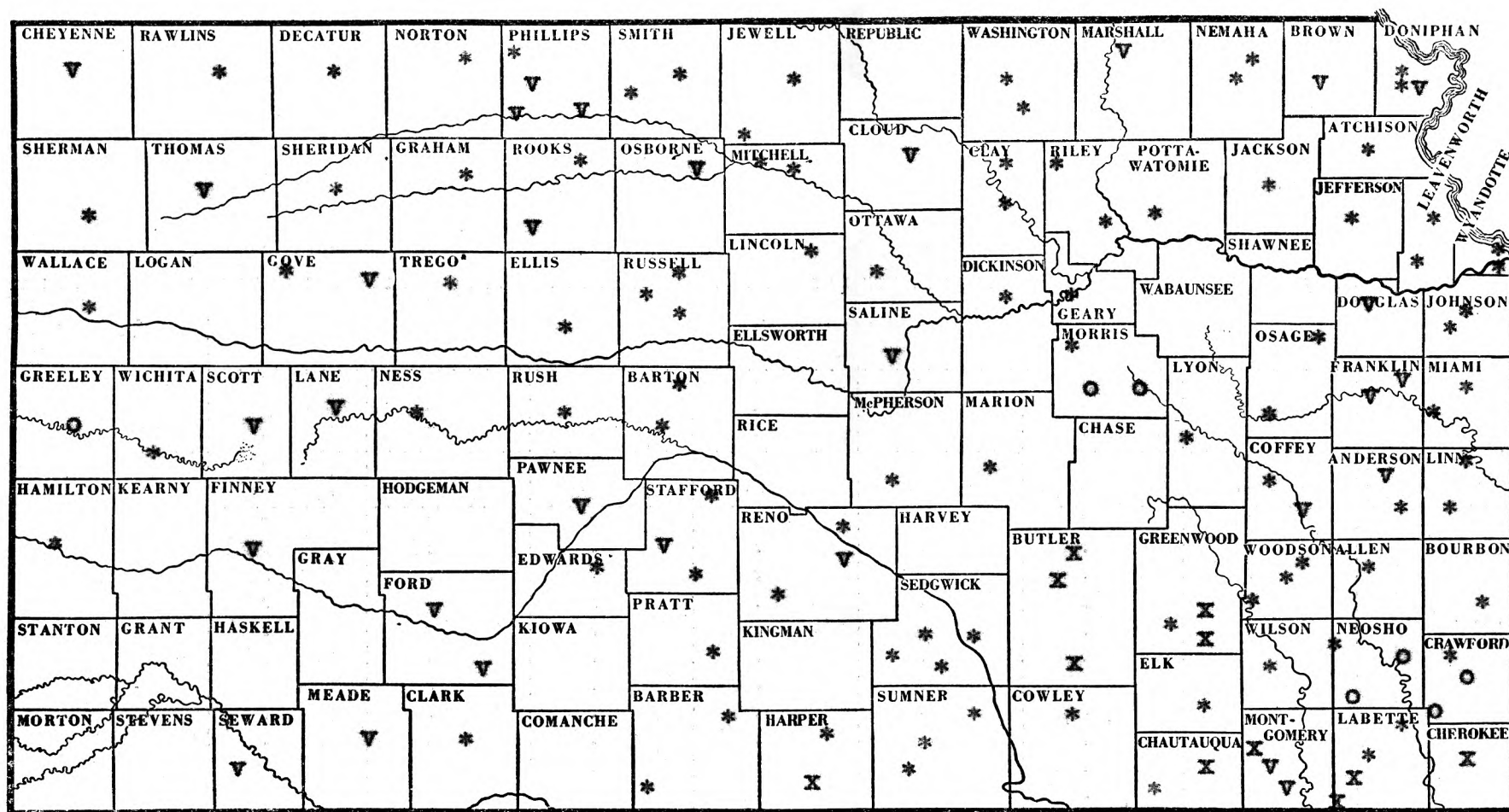


Fig. 12. Location of community auction sales in Kansas, 1934.

x Sale once a month.

o Sale twice a month.

v Sale every week.

* Sales per month not reported.

charged fifty cents to a dollar per head, and eleven made no report.

There was considerable variation in the charges for selling livestock at auction sales in this state. There were several methods used at the auction for charging for the services rendered and a wide variation in the amount of the charges for selling livestock. The use of a certain percentage of the sale value was the most common method used with a certain charge per head as the method next in importance. The per head charge showed a wide range; 25¢ to 50¢ for hogs, 10c to 25¢ for sheep, 10¢ to a \$1 for cattle, and 10¢ to \$2.50 for horses. Eleven sales charged by the head method entirely. Three percent of the sale price was the most common rate for selling livestock.

(Table 9). Since at most auctions miscellaneous items are sold, the charge for this service is included in the table.

Several methods of financing the community auction sales were reported. Of the sixty auctions studied, forty-three were privately owned. Four of these were incorporated, seventeen were not incorporated, and twenty-two made no report as to whether or not they were incorporated. Thirteen auction sales were financed by some form of community organization. Two of these were incorporated, two reported no incorporation, and nine made no report. The sixty

Table 9. Selling Charges at Auction Sales in Kansas.*

Selling charges	The number that charge various amounts				
	Hogs	Cattle	Sheep	Horses & mules	Junk
2 % of sale	3	6	5	5	0
2½% of sale	2	1	1	1	0
3 % of sale	25	25	26	21	1
3½% of sale	2	3	2	1	1
4 % of sale	2	2	2	2	0
5 % of sale	8	7	8	4	8
7 % of sale	0	0	0	0	1
8 % of sale	0	0	0	0	1
10 % of sale	0	0	0	0	40
5 ¢ a sale	0	0	0	0	1
Charge per head	13	11	11	21	0
Charge per carload	0	1 (also 5%)	0	0	0
No charge	1	1	1	1	0
No report	4	4	4	4	3
None sold	0	0	0	0	4
Total	60	60	60	60	60

* As reported by managers of auction sales.

auctions showed a total capitalization of \$97,075 or an average investment of \$1,617.91.

The approximate radius of the territory from which livestock was drawn showed considerable variation--the maximum being 1,000 miles; the minimum, 10 miles. The largest percentage of auctions showed a range of twenty to seventy-five miles.

Pens and equipment for feeding hold-over stock were provided at forty auctions, fifteen made no provision for feeding hold-over stock, and five made no report. A permanent record of each lot sold was kept by fifty-one managers, six did not keep permanent records, and three made no report.

The disposal of fat hogs sold at an average sale showed that twenty-four percent were purchased by an order buyer, thirteen percent were purchased by a trucker, forty-seven percent were purchased by a local speculator, and sixteen percent were purchased by a local butcher.

The numbers of livestock sold at an average sale in Kansas were: 144 stock hogs, sixty-five stock cattle, five sheep, twenty-four fat hogs, twenty-one fat cattle, and fourteen horses and mules. This makes a total of 273 head.

Forty of the sixty auctions reporting were organized since 1930, forty-three were privately owned and operated,

and only four of the group were incorporated. There was a wide range in the methods of operation, selling charges, type of equipment, and radius of territory covered. In thirty-three cases, farmers were reported as the types of buyers being most numerous.

Personal observations at sales indicate there is considerable speculation and exchange of buying. The same livestock may be sold several times one week through different sales or may be sold through the same sale several times the same day. There is considerable criticism of community auction sales but they seem to fill a need and are well attended.

Selling to Interior Packing Plants

Ten of the fifteen interior packers in Kansas furnished information for this report. The oldest interior packer is Hull and Dillon of Pittsburg, Kansas, organized in 1888. Two were organized in 1900, two in 1903, one in 1929, three since 1930, and one did not report the date of organization. Four of these plants are privately owned and six are stock companies. Six companies report no change in ownership since organization, two report one change, and two report three changes.

The ten plants report a total daily killing capacity

of 2,026 hogs, 360 cattle, 111 sheep, and 151 calves, a total of 2,648 in all. The estimated average weekly kill of the ten plants for January to June, 1934 was 7,926 hogs, 1,410 cattle, 53 sheep, and 283 calves.

The livestock purchased by these plants comes principally from auction sales, farms, trucks at plant, rail at plant, and the open competitive market. (Table 10).

Table 10. Percentage of Livestock Purchased at Each Source as Reported by Ten Interior Packers.

Source	Classes of Livestock			
	Cattle	Hogs	Sheep	Calves
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
Auction sales	4.5	0.2	----	3.9
At the farms	40.0	31.4	45.0	38.9
From truck at plant	27.0	58.9	55.0	53.3
By rail at plant	9.0	8.9	----	1.7
Open competitive market	19.5	0.6	----	2.2

The major portion of their kill was purchased at the farms and from trucks at the plant. (Table 10). In no case among those reporting was it necessary for the producer to make previous arrangements with the plant for the sale of livestock. Some interior packers not reporting required previous arrangement although the price paid was determined on the day of delivery. The reports on interior packing showed that the largest percent of their kill was composed of hogs. On a head basis, hogs made up 82 percent, cattle 14.6 percent, calves 2.8 percent and sheep .6 percent of the average weekly kill of these plants.

The method of selling locally to a butcher or small predominated in areas 1, 8, 10a, and 10b. The reasons for this are that these districts are thinly populated and far enough away from large packing centers to make a profitable business for a local butcher or small packer to supply outlying sections from some central point. Area 10a is an example of this type of area.

Areas 6 and 8 are in relatively densely populated areas where there is a fairly constant demand for fresh meat. The local butcher or small packer can have sufficient volume of business to allow him to compete with the large packers with transportation costs added to the price of their product.

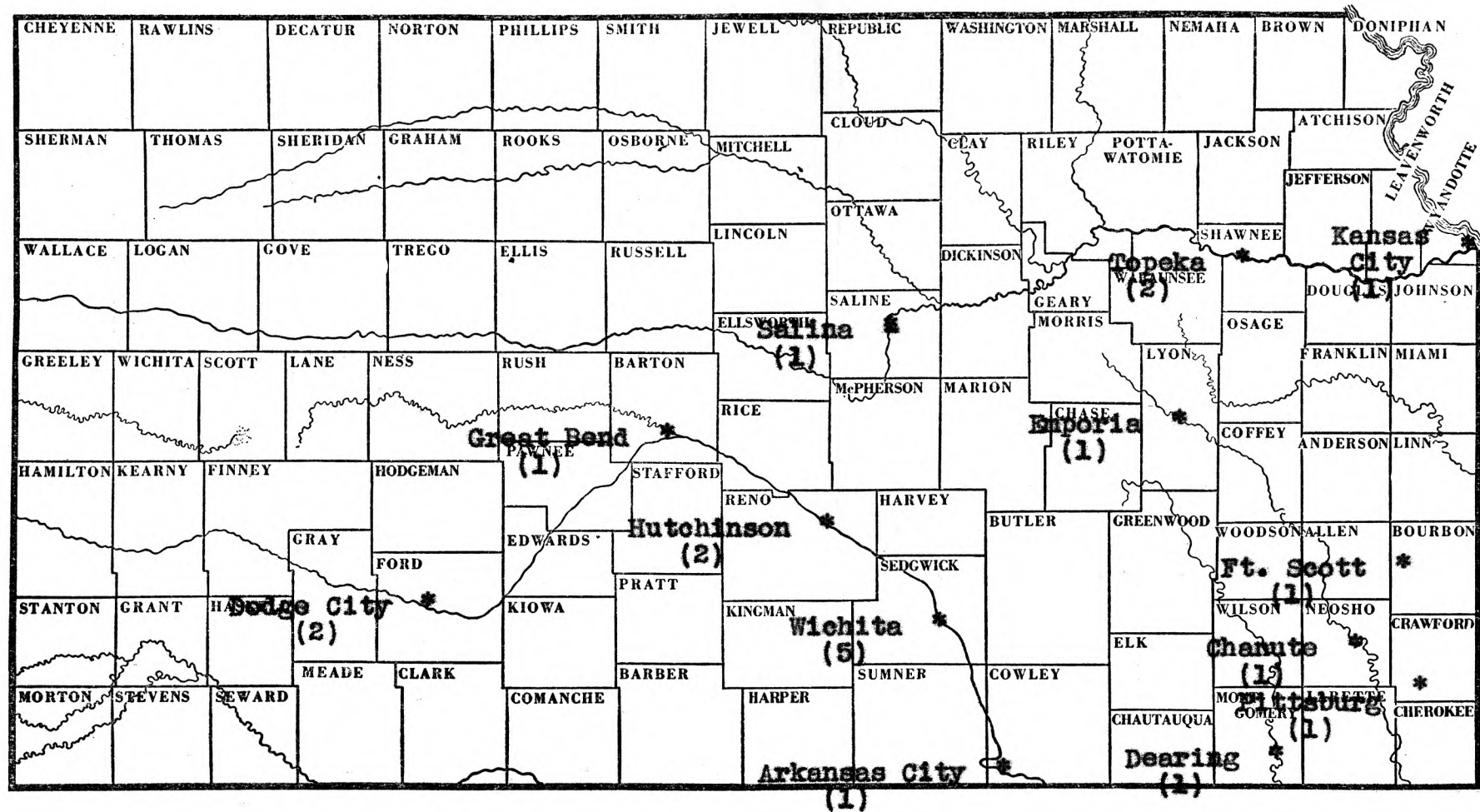


Fig. 13. Packing plants in Kansas, 1934.

() Number of plants in each city.

Marketing by Truck

The truck as a factor in marketing livestock is rapidly assuming a dominant place in Kansas. The eastern two-thirds of the state show a decided trend toward marketing by truck. Influences responsible for this change include: the convenience of marketing at any time, good roads, and the development of trucking as an industry. The truck method suits the needs of the small general farmer and livestock producer. This method is more advantageous to the man who produces in less than carload lots for he can sell when he sees fit without being dependent on his neighbor to make up the carload lot. In all the types-of-farming areas of the eastern half of the state, 30 to 50 percent of the livestock was marketed in this manner.

The United States Department of Agriculture (14) shows that at Wichita in 1934, 35 percent of the cattle, 35 percent calves, 68 percent hogs, and 66 percent of the sheep were drive-ins. At Kansas City, drive-ins comprised 24 percent of the cattle, 32 percent of the calves, 74 percent of the hogs, and 20 percent of the sheep. (Table 11). This shows from one hundred to three hundred percent increase over the year 1925. Corresponding increases are shown in the percent of constructed miles of all weather

Table 11. Percentage of Receipts that are Drive-ins at Kansas City and Wichita Public Stockyards, 1922-1934.*

Year	Cattle		Calves		Hogs		Sheep	
	Kansas City	Wichita	Kansas City	Wichita	Kansas City	Wichita	Kansas City	Wichita
	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>	<u>percent</u>
1922	00.95	6.66	5.58	18.24	5.49	13.76	7.11	14.22
1923	00.91	6.15	6.35	25.05	4.58	17.54	5.87	8.77
1924	1.07	6.83	7.16	26.27	6.72	17.75	5.26	21.22
1925	1.44	11.83	9.16	35.95	8.88	22.39	5.54	29.46
1926	1.84	14.43	13.66	45.69	11.55	25.72	6.25	25.51
1927	2.36	14.51	15.12	40.47	16.08	29.55	8.26	28.39
1928	3.38	19.29	17.10	4.49	22.00	34.03	8.01	34.41
1929	5.41	25.56	21.73	37.56	28.63	36.62	10.29	40.59
1930	7.81	30.84	27.01	36.97	39.22	55.22	11.17	62.19
1931	11.15	41.39	35.16	47.58	51.55	54.64	13.39	59.75
1932	18.72	58.81	38.46	70.72	62.60	58.69	17.40	63.09
1933	29.89	69.58	46.43	75.60	69.18	72.29	20.45	66.76
1934	24.08	35.43	31.93	34.76	74.29	67.64	20.00	66.30

* United States Department of Agriculture (14).

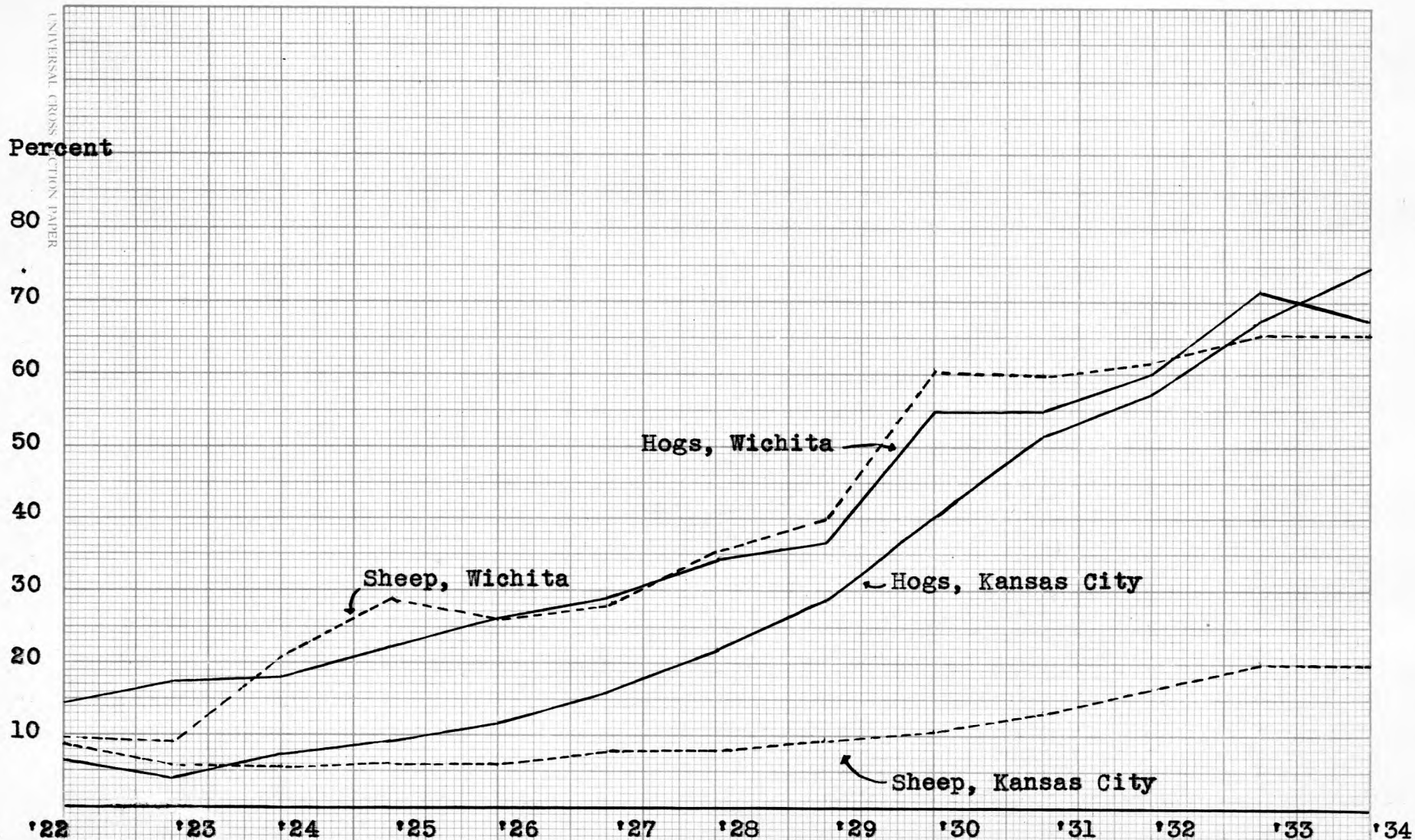


Fig. 14. Percentage of Receipts of Hogs and Sheep that are Drive-ins at Kansas City and Wichita Public Stockyards.*

* United States Department of Agriculture (14).

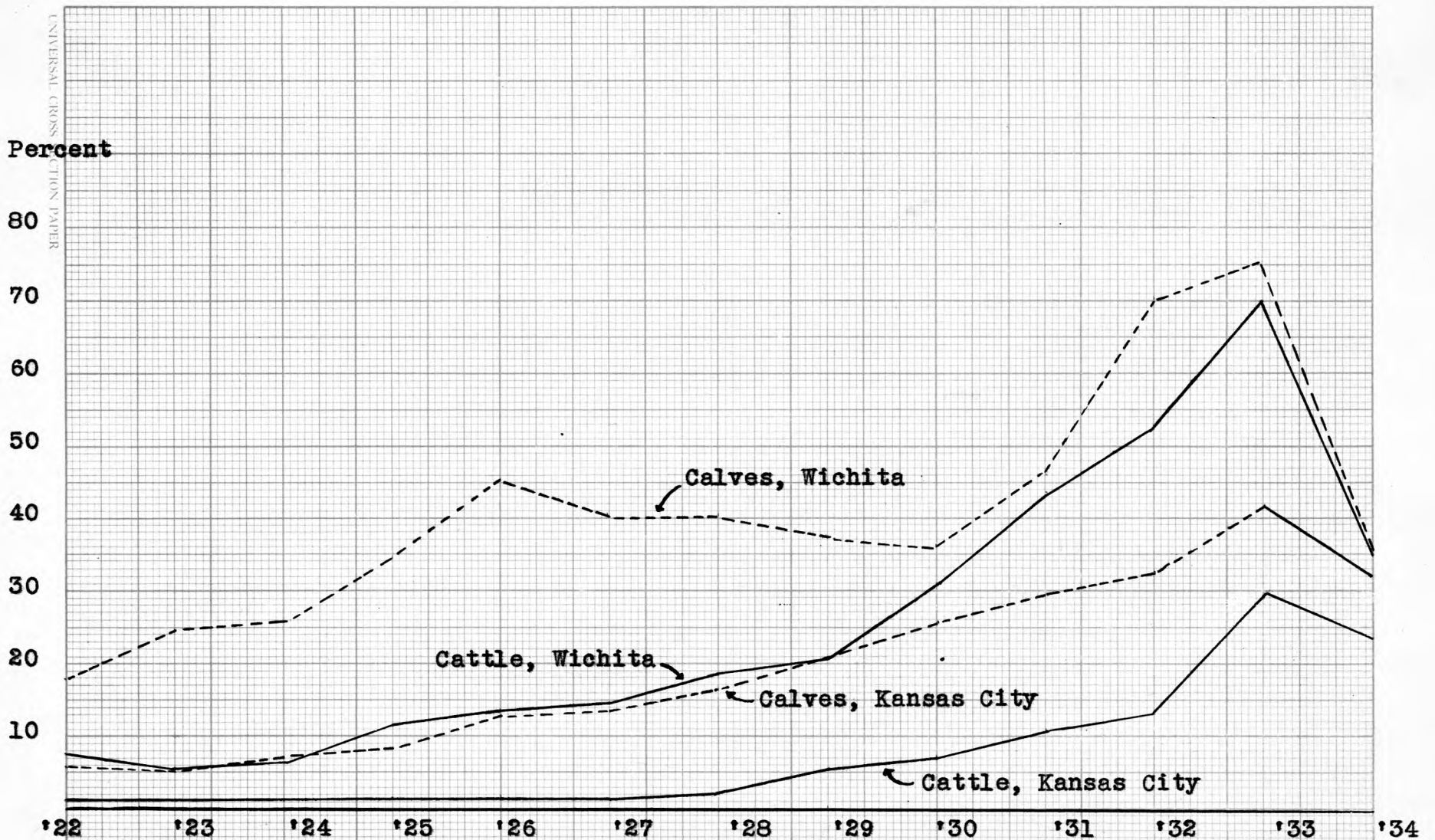


Fig. 15. Percentage of Receipts of Cattle and Calves that are Drive-ins in Kansas City and Wichita Public Stockyards.*

* United States Department of Agriculture (14).

Miles
all weather
roads
(00)

Truck
registration
(000)

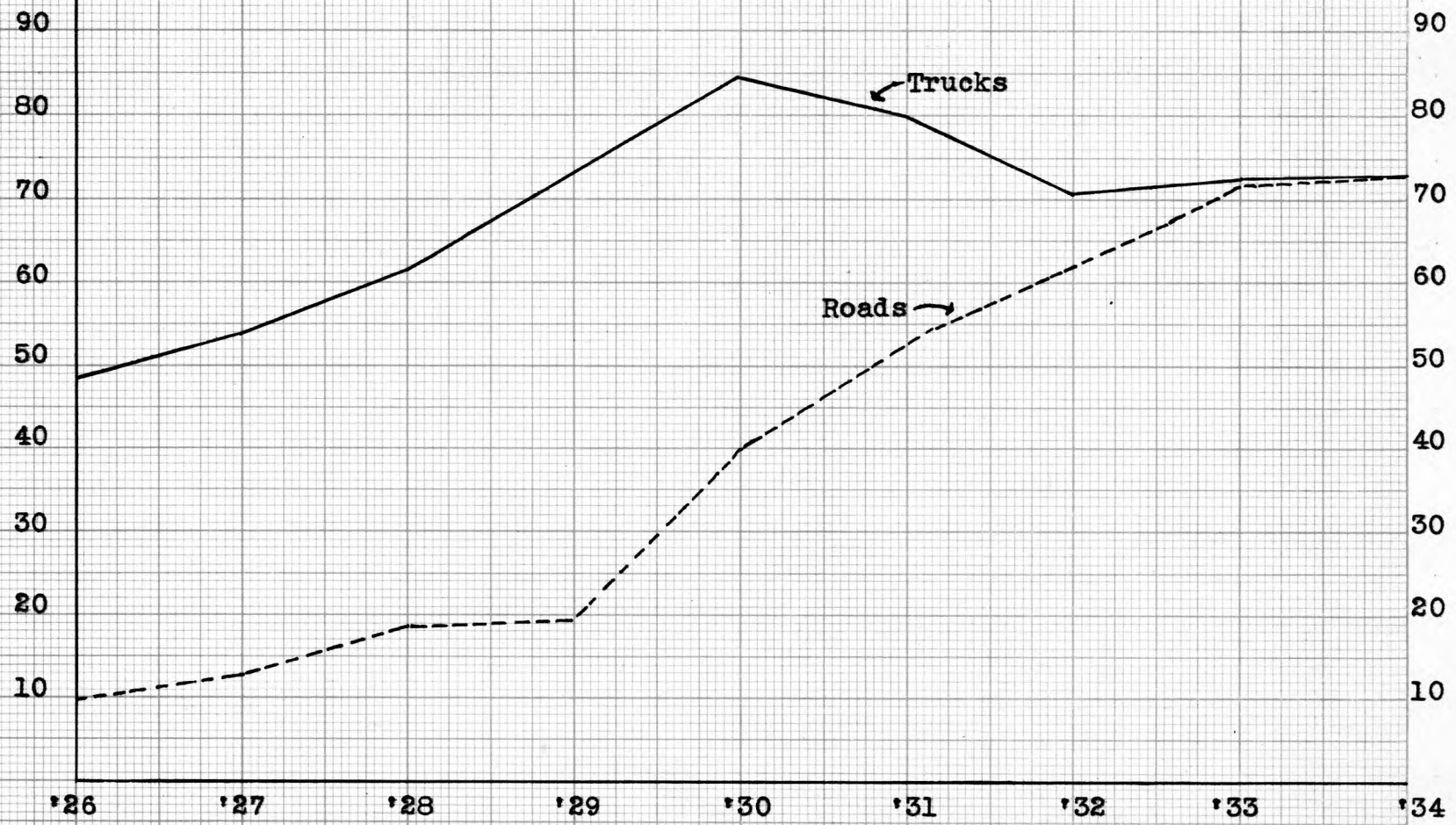


Fig. 16. A comparison of all weather road construction with truck registration in Kansas, 1926-1934.*

* Kansas State Highway Commission (8).

roads and truck registration for the same period of time. (Figure 16).

An analysis made by the Kansas State Highway Commission (8) shows that the greatest numbers of truckloads of livestock leaving the port of entry at Kansas City originate within 140 miles of Kansas City, although the far western portion of the state shows considerable trucking to that market. (Figure 17). This report also shows that of the truck traffic of Kansas, only 3.67 percent of the out state, 38.6 percent of the into state and 14 percent of the through Kansas traffic (tonnage basis) was hauled by farmers indicating that trucking is largely in the hands of men who make a business of trucking. The out of state trucking for the month of May 1934, showed that out of a total of 5,896 truckloads leaving the state, 5,685 went to Missouri. This was due to the fact that three public yards are located on the eastern border of Kansas at Kansas City, St. Joseph, and Joplin. (Tables 12, 13, and 14).

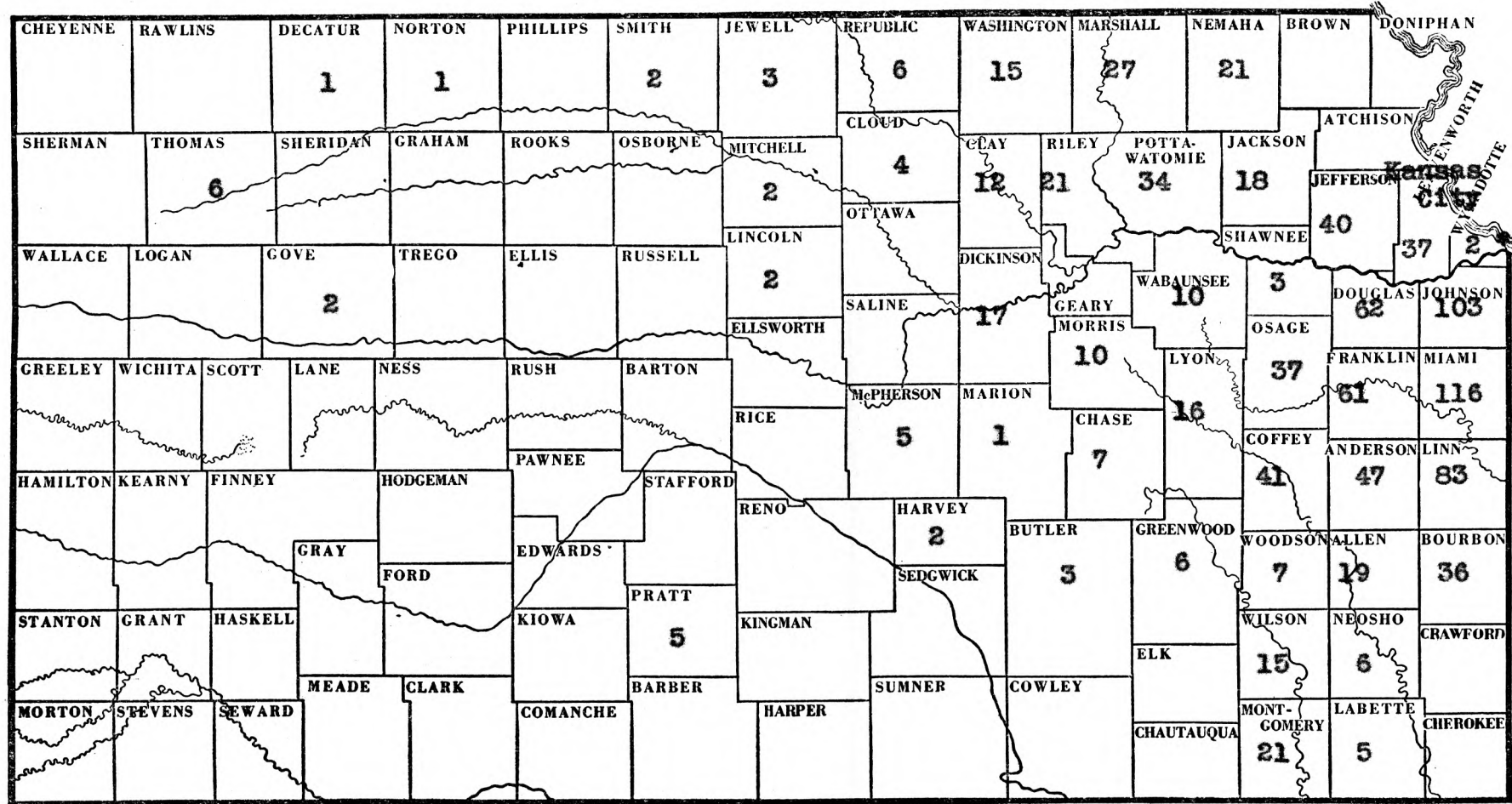


Fig. 17. Origin of trucks of hogs passing out of Port of Entry, Kansas City, December 1934.*

* Kansas State Highway Commission (3).

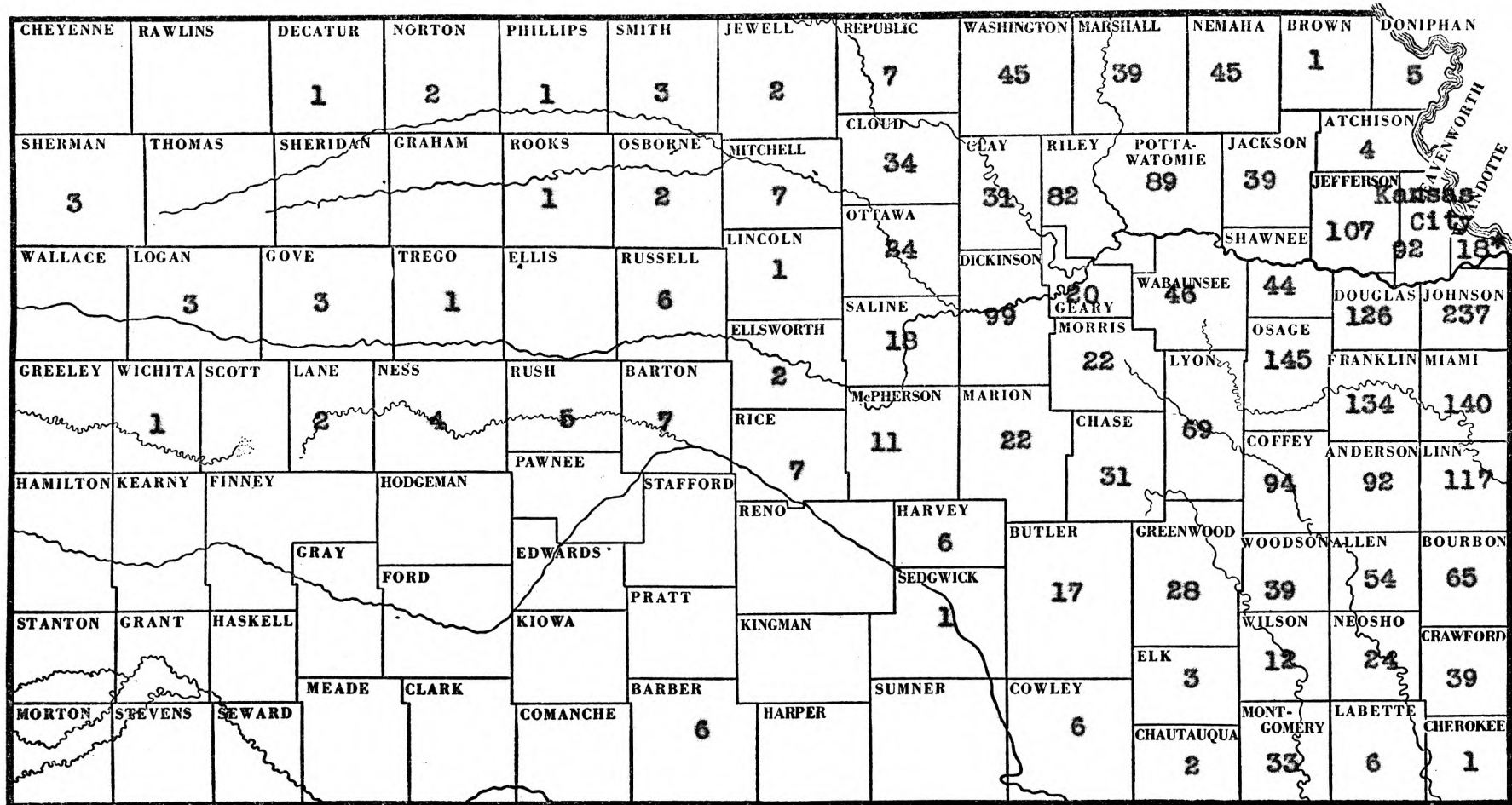


Fig. 18. Origin of trucks of cattle and calves passing out of Port of Entry, Kansas City, December, 1934.*

* Kansas State Highway Commission (8).

Table 12. Analysis of Motor Truck Traffic Out of Kansas, May 1934.*

Commodity	Number of trucks	Total tons	Tons by farmers	Percent tons by farmers	Tons one mile		Average haul by mile	
					In State	Out State	In State	Out State
Horses and mules	146	404	51	12.56	35,057	12,223	87	30
Cattle and calves	3,644	11,328	142	1.25	1,091,002	50,281	96	4
Sheep and goats	136	294	2	.68	25,727	1,471	88	5
Hogs	1,951	5,123	67	1.32	398,145	32,235	78	6
Total	5,877	17,149	262	3.67	1,549,931	96,210	87.75	11.25

* Kansas State Highway Commission (8).

Table 13. Analysis of Motor Truck Traffic Into Kansas, May 1934.*

Commodity	Number of trucks	Total tons	Tons by farmers	Percent tons by farmers	Tons one mile		Average haul by mile	
					In State	Out State	In State	Out State
Horses and mules	152	269	84	36.0	16,982	18,963	63	29
Cattle and calves	941	2,327	761	32.6	144,380	67,480	62	29
Sheep and goats	93	117	50	42.5	6,420	4,452	55	38
Hogs	172	329	191	58.5	19,846	6,547	60	20
Total	1,358	3,042	1,186	38.6	187,628	77,442	60	29.25

* Kansas State Highway Commission (8).

Table 14. Analysis of Motor Truck Traffic Through Kansas, May 1934.*

Commodity	Number of trucks	Total tons	Tons by farmers	Percent tons by farmers	Tons one mile		Average haul by mile	
					In State	Out State	In State	Out State
Horses and mules	37	79	36	45.5	10,461	15,888	132	201
Cattle and calves	510	1,538	238	15.5	107,453	56,114	70	37
Sheep and goats	7	15	7	46.5	982	154	154	65
Hogs	417	1,208	152	15.2	71,939	32,964	60	27
Total	981	2,902	433	14.5	200,835	105,120	104	82.5

* Kansas State Highway Commission (8).

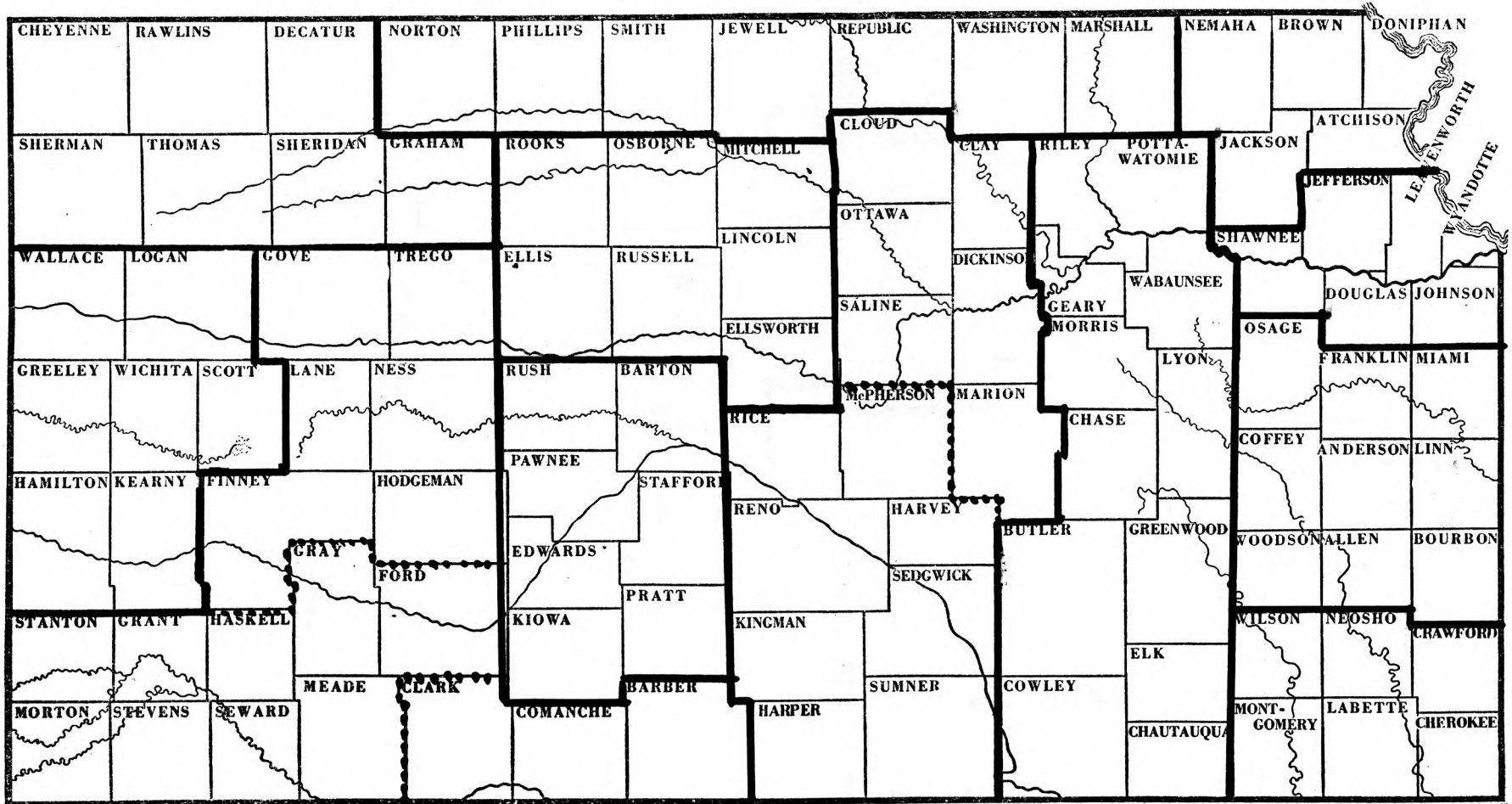


Fig. 19. Type-of-farming areas in Kansas, 1934.*

* Hodges, Elliott, and Grimes (6).

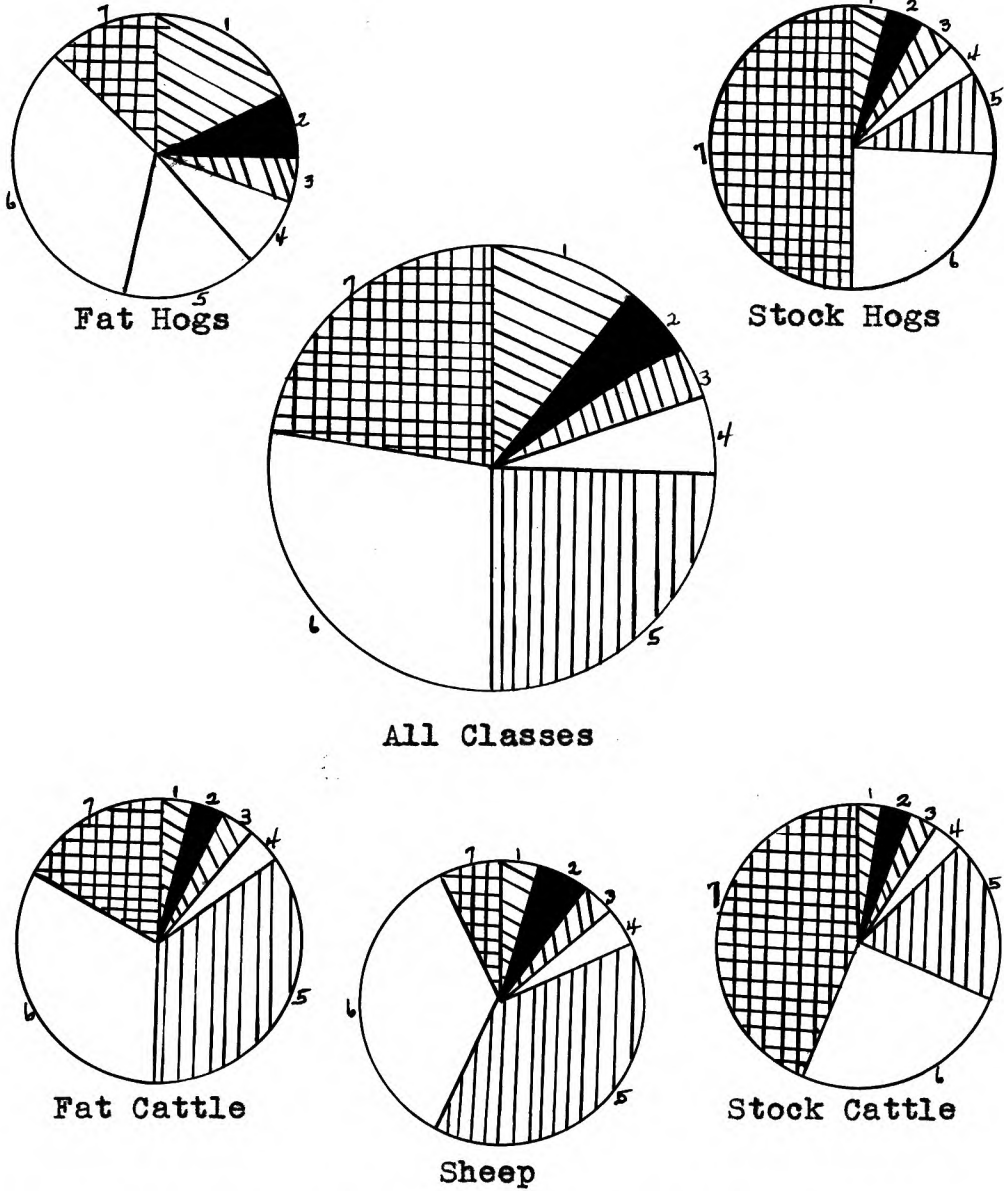


Fig. 20. Percentage marketed by each method.

1. Sold locally to a direct packer buyer.
2. Sold locally through some form of cooperative organization.
3. Sold locally to a butcher or small packer.
4. Sold direct to a packer whose plant is on a terminal market.
5. Shipped by rail and sold on a terminal market.
6. Shipped by truck and sold on a terminal market.
7. Sold through a community auction.

CONCLUSIONS

The proportion of Kansas livestock marketed by the direct method coincides closely with the reports on the percentages marketed direct in the corn belt states and the United States as a whole. In the western half of Kansas a large proportion of the fat hogs are marketed by selling direct to some type of local packer buyer. In sections relatively close to interior packers and terminal markets, marketing direct to the killer predominates. The method of marketing direct is more closely related to the marketing of fat hogs than to any other class of livestock.

The terminal market continues to be the dominant factor in the marketing of livestock. Approximately sixty-four percent of all Kansas livestock was sold on a terminal market. For the state as a whole the largest proportion of fat hogs sold through a terminal market were sent in by truck. In the northwest and north central portion of the state the largest proportion of fat cattle was sent to the terminal market by rail. In the south central and northeast section the largest proportion of fat cattle was sent to the terminal market by truck. The major portion of the stock cattle and sheep were marketed by this method, truck and rail shipments being about equal. Cooperative shipping

associations utilized the terminal markets in disposing of most of their livestock.

Cooperative shipping associations handle approximately six percent of all Kansas livestock marketed. Most of the associations are located in the north central and northwestern portion of the state with a few in the southeastern section. Few of the associations grade livestock but mark for individual ownership so that they can be weighed separately on the terminal market. Lamb grading associations are an exception to the above practise.

The auction sale for livestock is a comparatively new method of marketing. Most of the auction sales now in existence have been organized since 1930. They are well distributed over the state. Auction sales handled about nineteen percent of all Kansas livestock marketed in 1934. The major portion of their sales were stock hogs and stock cattle, handling approximately fifty percent of the stock hogs and thirty percent of the stock cattle sold in the state.

Few of the auction sales of Kansas attempt to bunch grades of livestock as is done in other states but sell by individual ownership.

Interior packers purchase the largest portion of their livestock at the farm and from trucks at the plant. A few

buy on order at terminal markets. This is only true of the larger plants. The principal portion of their kill is confined to hogs with an increasing proportion of cattle. A few calves and sheep are killed. On the whole their volume of business is increasing and affords a market for considerable numbers of Kansas livestock.

Marketing by truck is the dominant method in the eastern half of the state. The construction of all weather roads has had an important bearing on the trucking industry. Truck registration has been directly associated with the number of miles of good roads built. Of all livestock sold at the two terminal markets in Kansas in the year 1933, fifty-six percent was delivered by truck in 1923. The comparatively small percent of the total tonnage hauled by farmers shows that trucking is passing into the hands of those who are specializing in that industry.

The methods of marketing are influenced by the type-of-farming areas as follows: selling by truck on a terminal market predominates in general farming areas; marketing by rail predominates in grazing regions where cattle are the principal class of livestock; the auction ring furnishes an outlet in areas where there are both grain farmers and livestock feeders; and the direct to the packer method is used in farming areas near large packing centers.

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