

GENERAL EXPLANATION Continued

Table 3. Terms of Marketing and Production Contracts for Slaughter Hogs

	Farms with marketing contracts					Farms with production contracts						
	Total	Terms made by--			Items were specified in contract	Total	Terms made by--			Items were specified in contract		
		Contractor	Producer	Producer and contractor			A producer organization	Contractor	Producer		Producer and contractor	A producer organization
Number produced.....	16	1	11	2	2	7	28	8	3	17	-	16
Date placed on feed.....	16	-	16	-	-	-	27	10	5	12	-	15
Breeds or types of hogs.....	16	-	16	-	-	-	28	16	1	11	-	7
Amount of feed.....	16	-	16	-	-	-	28	18	2	7	1	7
Analysis of feed.....	16	-	16	-	-	-	28	24	-	3	1	11
Special type of equipment.....	17	1	16	-	-	1	28	1	13	13	1	6
Frequency/extent of disease control.....	17	1	16	-	-	1	28	7	3	18	-	13
Type of disease control.....	16	-	16	-	-	-	28	13	1	14	-	12
Ending of feeding.....	16	-	13	3	-	1	29	12	3	14	-	13
Production practices other than disease control.....	17	1	16	-	-	1	26	9	3	14	-	12
Rate of delivery of hogs.....	16	1	9	5	1	7	26	11	6	9	-	7
Price terms.....	17	2	2	8	5	13	26	13	1	12	-	22
Other.....	-	-	-	-	-	-	1	-	-	1	-	1

Table 4. Production Items Furnished for Marketing and Production Contracts for Slaughter Hogs

	Farms with marketing contracts						Farms with production contracts									
	Item was applicable to contract	Contract specified who furnished item	Item furnished by--			Method of payment for items furnished by contractor			Item was applicable to contract	Contract specified who furnished item	Item furnished by--			Method of payment for items furnished by contractor		
			Pro-ducer	Producer and con-tractor	Con-tractor	No charge	Open account	Cash on delivery			Pro-ducer	Producer and con-tractor	Con-tractor	No charge	Open account	Cash on delivery
Feeder pigs.....	18	3	18	-	-	-	-	-	32	29	-	-	32	25	7	-
Feed.....	18	3	18	-	-	-	-	-	32	31	-	-	32	25	7	-
Chemicals for disease and pest control.....	18	3	17	-	-	-	-	-	31	27	-	3	28	22	9	-
Labor.....	18	4	18	-	-	-	-	-	32	27	31	-	-	-	-	-
Transportation to market.....	18	7	15	1	2	1	1	1	29	23	8	1	20	17	4	-
Processing and/or packing.....	4	1	1	-	3	-	-	-	3	1	-	-	3	3	-	-
Technical assistance.....	11	4	10	1	-	1	-	-	25	21	2	2	21	22	1	-
Machinery and/or equipment.....	18	3	17	-	-	-	-	-	30	24	27	-	-	-	-	-
Other.....	7	2	7	-	-	-	-	-	20	19	16	1	3	2	2	-

Table 5. Contract Longevity

	Total farms	Farms by years produced under contract		
		1 to 5 years	6 to 10 years	10 years and over
Feeder cattle.....	83	16	26	41
Feeder pigs.....	129	47	49	33
Slaughter hogs.....	55	38	11	6
Broilers.....	1,011	184	286	541
Chicken eggs.....	526	133	241	152
Tomatoes for processing.....	278	48	34	196
Potatoes.....	345	79	111	155

Longevity of Contract Utilization

The act of producers terminating their usage of contracts was discussed earlier, see Limitations of the Survey Data. The length of time of contract usage for those who terminated their contracts prior to 1977 was not determined in the survey. Table 5, however, indicates the length of time individuals reporting contracts for 1977 have utilized such arrangements.

Forty-four percent of the respondents have grown their commodity under contract for more than 10 years. Individual commodity responses for this inquiry ranged from 11 percent of the slaughter hog producers to 70 percent of the tomatoes for processing.

Consideration must be given to the length of time that it has been common

practice to utilize a contract to produce and/or market each commodity prior to drawing any conclusions from the data in table 5. The extent of contract usage table in the individual commodity chapters attempts to measure this factor.

Closely related to the concept of contract longevity is the general satisfaction expressed by the producer regarding the terms of the contract. Table 6 presents data on those respondents that expressed general satisfaction over the production and marketing terms of the contract and those that plan to continue to use contracts.

The majority of respondents to all commodities expressed general satisfaction with their contract terms and this fact was reinforced by the majority of them reporting plans to continue contract usage.

Table 6. Farms Generally Satisfied With Contract Terms

	Satisfied with marketing terms	Satisfied with production terms	Will continue contract usage
Feeder cattle.....	78	78	67
Feeder pigs.....	123	127	94
Slaughter hogs.....	46	48	44
Broilers.....	647	759	719
Chicken eggs.....	369	442	366
Tomatoes for processing.....	172	192	206
Potatoes.....	213	266	280