

**Table 59. Payment Determination by Size of Operation for Potatoes**

(Based on 359 contracts reported)

|   | Acres of potatoes produced under contract in 1977 |               |                |                  |                  |                  |                    |
|---|---|---------------|----------------|------------------|------------------|------------------|--------------------|
|   | Total   | 1 to 49 acres | 50 to 99 acres | 100 to 249 acres | 250 to 499 acres | 500 to 749 acres | 750 acres and over |
| Open market price at time of delivery.....          | 11  | 2             | 5              | 2                | 2                | -                | -                  |
| Open market price at time contract was entered into | 16  | 4             | 3              | 4                | 3                | 1                | 1                  |
| From Futures market price.....                      | 2   | 1             | 1              | -                | -                | -                | -                  |
| From price negotiated by contractor when he sells.. | 12  | 1             | 4              | 5                | 1                | 1                | -                  |
| By negotiation with contractor.....                 | 204   | 43            | 55             | 52               | 32               | 13               | 9                  |
| Value of production items furnished by producer.... | 9   | 2             | 2              | 3                | 2                | -                | -                  |
| Set by contractor without negotiation.....          | 60  | 14            | 21             | 18               | 5                | -                | 2                  |
| Other.....  | 32  | 16            | 5              | 8                | 3                | -                | -                  |
| Total reporting size of operation.....              | 356   | 86            | 99             | 94               | 50               | 15               | 12                 |

**Table 60. Contract Provisions for Variation in Quantity and Quality for Potatoes**

(Based on 359 contracts reported)

|   | Farms |   | Farms |
|---|-------|---|-------|
| <b>Lesser quantity:</b>   |       | <b>Lower quality:</b>   |       |
| Contractor would have accepted potatoes delivered.....                      | 184   | Contractor would have accepted potatoes.....                                      | 49    |
| Producer would have purchased deficit amount to fulfill contract.....       | 21    | Producer would have made cash payment to fulfill contract.....                    | 4     |
| Producer would have made a cash payment to fulfill contract.....            | 5     | No payment would have been received for inferior potatoes.....                    | 62    |
| Contract would have been invalidated.....                                   | 4     | Contract would have been invalidated.....   | 37    |
| Contract included a natural disaster clause.....                            | 145   | Contract included a natural disaster clause.....                                  | 52    |
| No provision to cover lesser quantity.....                                  | 44    | Producer would have received payment based on the quality actually delivered..... | 165   |
| Other.....  | 20    | Potatoes would have been sold on open market.....                                 | 20    |
|   |       | Potatoes would have been destroyed.....   | 4     |
| <b>Greater quantity:</b>  |       | Potatoes would have been offered to contractor, then sold on open market.....     | 35    |
| No payment would have been received for excess produced.....                | 21    | No provision to cover lower quality.....  | 17    |
| Excess would have been sold on open market.....                             | 96    | Other.....  | 18    |
| Producer would have received a reduced payment for excess.....              | 41    | <b>Higher quality:</b>  |       |
| Excess would have been offered to contractor, then sold on open market..... | 86    | No additional payment would have been received.....                               | 134   |
| Potatoes would have been destroyed.....                                     | 1     | Producer would have received an incentive or premium payment....                  | 156   |
| Producer would have received an incentive or premium payment.....           | 12    | Potatoes would have been sold on open market.....                                 | 4     |
| No provision to cover greater quantity.....                                 | 82    | Potatoes would have been offered to contractor, then sold on open market.....     | 12    |
| Other.....  | -     | No provision to cover higher quality.....   | 29    |
|   |       | Other.....  | 8     |

**Table 61. Other Contract Characteristics for Potatoes**

(Based on 359 contracts reported)

|  | Total | Acres of potatoes under contract in 1977 |                |                  |                  |                  |                    |
|--|-------|--|----------------|------------------|------------------|------------------|--------------------|
|  |       | 1 to 49 acres                            | 50 to 99 acres | 100 to 249 acres | 250 to 499 acres | 500 to 749 acres | 750 acres and over |
| Other contractors were available for negotiation.....  | 247   | 51                                       | 69             | 64               | 38               | 14               | 11                 |
| Producer had knowledge of key provisions of other contracts.....   | 203   | 45                                       | 56             | 52               | 31               | 11               | 8                  |
| Negotiations were undertaken with more than one contractor.....  | 111   | 16                                       | 30             | 25               | 23               | 8                | 9                  |
| Contractor was specified in writing.....   | 340   | 84                                       | 90             | 91               | 48               | 15               | 12                 |
| Contract covered more than one production period.....  | 49    | 11                                       | 17             | 12               | 8                | -                | 1                  |
| Contract specified a specific amount of potatoes.....  | 223   | 50                                       | 60             | 65               | 27               | 14               | 7                  |
| Product was pooled with others prior to final payment determination.....   | 56    | 11                                       | 20             | 16               | 8                | -                | 1                  |
| Product was under a State or Federal market order.....   | 80    | 17                                       | 22             | 26               | 13               | 2                | -                  |
| Contractor was a cooperative.....  | 52    | 9  | 18             | 13               | 8                | 2                | 2                  |
| Producer was a member of this cooperative.....   | 41    | 8  | 13             | 12               | 5                | 1                | 2                  |
| Contract was associated with a joint venture between two or more cooperatives or a cooperative and another firm..... | 22    | 2  | 12             | 4                | 2                | 2                | -                  |
| Producer's operation was a part of this joint venture.....   | 12    | 2  | 6              | 1                | 1                | 2                | -                  |
| A bargaining association was involved in negotiating the contract  | 212   | 57                                       | 62             | 50               | 28               | 10               | 5                  |
| Producer was a member of this bargaining association.....  | 142   | 34                                       | 41             | 34               | 20               | 8                | 5                  |
| Contractor provided supply, demand and/or price outlook information.....   | 73    | 16                                       | 24             | 14               | 11               | 4                | 4                  |
| Producer considered this as main source of market information..  | 33    | 12                                       | 9              | 7                | 2                | 2                | 1                  |
| Producer was generally satisfied with production terms of contract.....  | 265   | 66                                       | 71             | 70               | 39               | 10               | 9                  |
| Producer was generally satisfied with marketing terms of contract.....   | 212   | 47                                       | 57             | 61               | 31               | 10               | 6                  |
| Producer plans to continue utilization of contracts.....   | 279   | 65                                       | 71             | 75               | 45               | 13               | 10                 |
| Potatoes would have been produced without a contract.....  | 187   | 32                                       | 56             | 50               | 34               | 8                | 7                  |
| Total reporting size of operation.....   | 356   | 86                                       | 99             | 94               | 50               | 15               | 12                 |