

## PART VII

## FARM MARKETING AND EXPENDITURES

Location For Marketing

Most Lewis County farm areas are well served by transportation facilities for marketing crops, livestock and livestock products within and outside the county. Farm production is marketed in three general trade areas. These are as follows: (1) western Lewis County lowlands where the majority of the food processing industries and rural nonfarm and urban populations are located, (2) the Seattle-Tacoma metropolitan area and (3) the Portland, Oregon-Vancouver, Washington metropolitan area. Lewis County is located about mid-way between the two major population centers of the Pacific Northwest, namely Seattle and Portland. The Tacoma metropolitan area is the nearest, being 57 miles by truck and rail from Chehalis. The Seattle area is an additional 30 miles beyond Tacoma. Portland to the south is 90 miles away from Chehalis by rail and highway.

A multiple lane highway (U. S. 99) which connects Seattle and Portland passes through the main farming areas of Lewis County. Both Seattle and Portland are less than three hours away from Chehalis by truck--the main carrier of agricultural products. State and county roads feed into the major transportation channels from the eastern end of the county. State highway 5 crosses the Cascades through White Pass to Yakima and also connects eastern Lewis County with Tacoma. Chehalis, Centralia and Winlock are located on the joint railroad line between Seattle and Portland operated by Northern Pacific, Union Pacific and Southern Pacific Railways. A branch line of the Chicago, Milwaukee, St. Paul and Pacific connects eastern Lewis County with Tacoma.

Income: Value of Products Sold

Census of Agriculture data on the value of farm products sold in Lewis County show the trend of gross farm income has been upward in recent years. All Lewis County farms marketed agricultural products valued at \$9,829,217 in 1959 compared with \$7,895,962 in 1949 and \$2,405,860 in 1940. Gross returns to farmers increased nearly 25 percent during the decade between 1949 and 1959. Lewis County ranked twenty-first in the state in value of farm products sold for 1959.

The total value of all crops sold (i.e. fruits and nuts, field crops, vegetables, forest products and horticultural specialties) amounted to \$1,893,636 for Lewis County in 1959. This total was 5 percent below the corresponding figure for 1954 and represented almost 20 percent of the total value of all agricultural products sold in 1959 compared with 23 percent for 1954.

Total value of sales of livestock and poultry and their products for 1959 was \$7,935,581, or 34 percent greater than the \$5,911,966 reported in 1954. This total represented 81 percent of the value of all farm products sold in 1959 compared with 77 percent in 1954.

Farm incomes vary by type and size of farms. In 1959, more than 44 percent of the county's 2,230 farms were commercial (i.e. sold products valued at over \$2,500 per year). Low income farms (with sales of under \$2,500) were considered commercial by the Census if the farm operator was under 65 years of age, did not work off the farm 100 or more days during the year and if the income received by

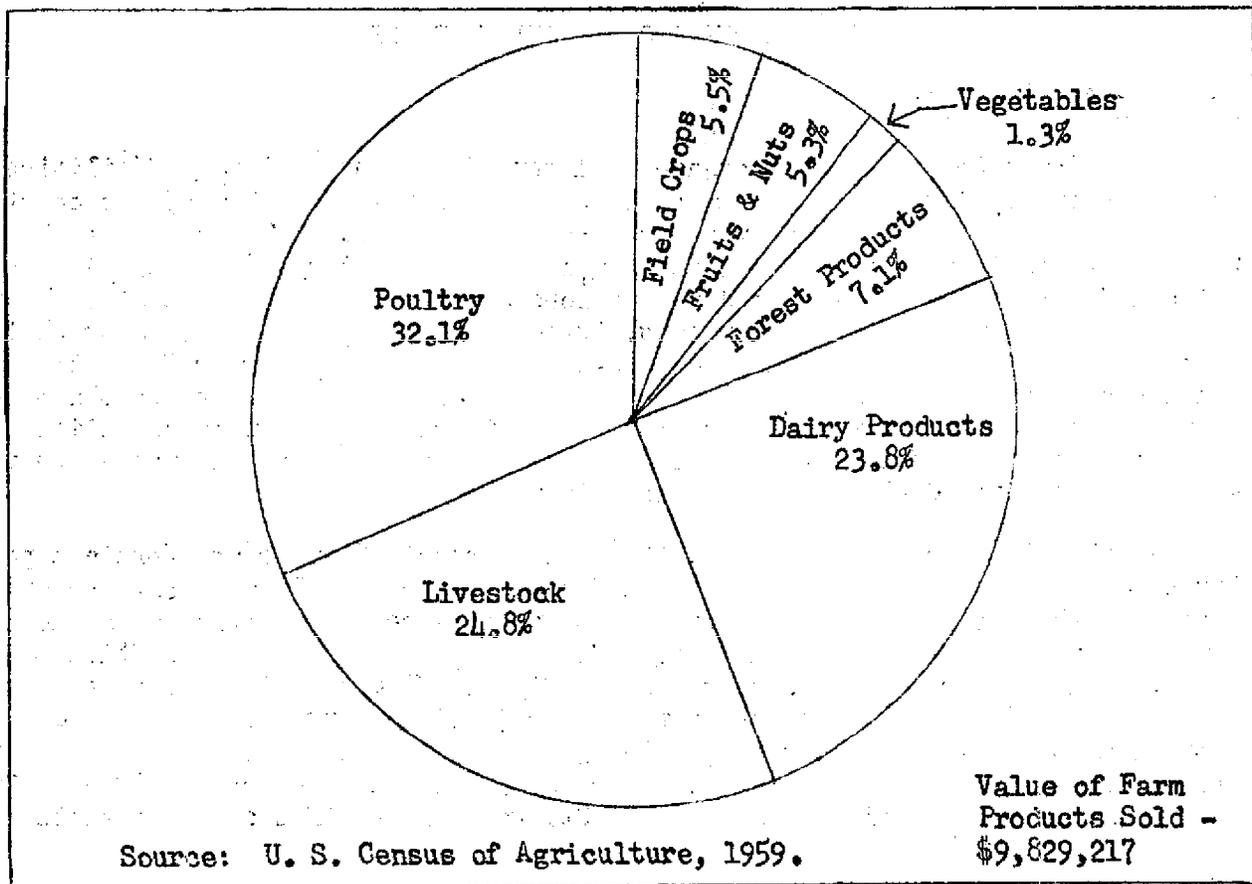


Figure 14. Sources of Cash Farm Income, Lewis County, 1959

Table 33. Crops Marketed From Lewis County Farms, 1959

Crops Marketed	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Fruits (Tree fruits, berries, nuts)	\$ 521,480	27.5
Field Crops (Small grains, hay and silage, etc.)	543,568	28.8
Vegetables (Green peas, sweet corn, broccoli, etc.)	126,511	6.7
Forest Products and Horticultural Specialties	<u>702,077</u>	<u>37.0</u>
Total amount received by farmers for cash crops	\$1,893,636	100.0

Source: U. S. Census of Agriculture, 1959.

the operator and members of his family from nonfarm sources was less than the value of all farm products sold. On this basis, about 1,242 farms were classed as noncommercial in 1959 with no significant receipts from farm production. In 1959, about 3.8 percent of all commercial farms in the county were in Economic Class I--sales of over \$40,000. Nearly 9 percent of the farms were in the class that received between \$39,999 and \$20,000 per year. About 16 percent of the commercial farms made sales that varied between \$19,999 and \$10,000. Over one-fourth of the farms were in the class that received between \$9,999 and \$5,000 per year. Almost 30 percent of the farms ranged in value of products sold from \$4,999 to \$2,500 for the year of 1959. Low income commercial farms that took in less than \$2,500 but more than \$50 from sales of farm products in 1959 numbered 155 or over 15 percent of all commercial farms.

### Marketing Field Crops

Crop income in Lewis County comes mainly from the sale of field crops. Field crop sales were valued at \$543,568 in 1959 which made up 5.5 percent of the total value of farm products sold and accounted for over 28 percent of all crops marketed.

Clover-timothy hay sales from farms amounted to 7,172 tons and accounted for 78 percent of the total hay sold in the county during 1959. More than 260 growers sold clo-tim hay mainly to local feeders of livestock and to truckers. Alfalfa hay sales accounted for only 6.5 percent of the total hay sales. Remaining sales were made up of small grains, wild hay, vetch mixed with grains and minor hay crops. The bulk of the hay crop harvested remains within the county for local use. The rest go to farming areas in the surrounding counties.

Lewis County had nearly 304,000 bushels of wheat, oats, barley and rye in 1959. Oats as the predominant grain crop showed 199,776 bushels sold off the farms in 1959. Wheat sales involved 75,572 bushels. Barley was third in grain crop sales with 25,566 bushels for 1959. Remaining grain sales which included rye only amounted to 3,080 bushels.

### Marketing Fruits, Berries and Nuts

Sales from fruits, berries and nuts totaled \$521,480 in 1959, making up 5.3 percent of the value of all farm products sold in the county and 27.5 percent of all crops marketed. Tree fruit and grape production of Lewis County is not enough to be of any commercial importance. Most of the fruit harvested is used on the farm itself or sold locally.

Over 4,722 tons of berries were harvested in Lewis County in 1962, the bulk being strawberries with 4,347 tons. Berries are marketed mainly to local processors as well as to those located in Pierce and Clark Counties.

Nearly 50 tons of nuts were harvested from the county's filbert trees in 1959. Filbert nuts find market outlets largely in Portland, Oregon.

### Marketing of Vegetables

Vegetables for processing and fresh markets from Lewis County farms were valued at \$126,511 in 1959, making up a little over 1 percent of the value of all farm products sold in the county and accounted for 6.7 percent of all crops

marketed. Green peas, sweet corn, broccoli, cucumbers and snap beans make up the commercial vegetables grown in the county. Most harvested vegetables go to local processors in Chehalis and Centralia and to those in Pierce and Clark Counties.

#### Marketing Forest Products and Horticultural Specialties

In recent years, farm forest products have become increasingly important in agricultural marketing. During 1959, the Census showed that about 254 Lewis County farms sold forest products. Farm woodland owners sold products worth \$670,483 in 1959. This was a 66 percent increase over the \$404,118 reported in 1954. The 1959 sales value of farm forest products represented nearly 9 percent of the total value of farm products sold in the county.

Standing timber accounted for \$320,276 or 48 percent of the value of all forest products sold. Items such as firewood, pulpwood, fence posts, sawlogs and Christmas trees accounted for the remaining percentage. Good rail and road access to the timber and pulp industry on the Puget Sound and the Columbia River enables farmers to market pulpwood, veneer and sawlogs. Local markets for forest products are found in Centralia and Chehalis.

Table 34. Forest Products on Farms  
Lewis County, 1959

Type of Product	Farms Reporting	Quantity
Firewood and fuelwood cut.....	459	3,709 cords
Fence posts cut .....	65	17,985 posts
Sawlogs and veneer logs cut .....	105	4,712 M bd. ft.
Pulpwood cut (fir, alder, maple, etc.)	22	5,904 cords
Christmas trees cut .....	24	13,405 trees
Value of standing timber sold .....	136	\$320,276
Value of firewood, fence posts, logs, lumber, pulpwood, piling, poles & other forest products sold .....	166	\$350,207
Total value products sold .....	254	\$670,483

Source: U. S. Census of Agriculture, 1959.

The value of sales of all horticultural specialties for Lewis County was \$31,594 in 1959. This was about 40 percent less than the \$52,244 reported in 1954. For 1959, the value of sales represented less than one-half of a percent of the total value of farm products sold and accounted for only 1.7 percent of the value of all crops marketed.

Nursery products, such as trees, shrubs, vines and ornamentals, accounted for only \$2,491 or about 8 percent of the sales of all horticultural specialties in 1959. Cut flowers, flowering and foliage plants, bedding plants and cultivated florist greens accounted for 78 percent of the total, and sales of bulbs, flower seeds and greenhouse vegetables amounted to approximately 14 percent of the value of all horticultural specialty crops. There were 21 farms reporting horticultural specialty crops in 1959. Nine farms reported sales in excess of \$2,000 from sales of these products.

Table 35. Livestock and Livestock Products Marketed  
Lewis County, 1959

Class of Livestock and Products Sold	Amount Received By Farmers (dollars)	Percent of the Total Value
Livestock Sold Alive (cattle and calves, horses and mules, hogs, sheep)	\$2,438,679	30.7
Dairy Products (whole milk, butterfat)	2,344,317	29.5
Poultry and Poultry Products (chickens, eggs, turkeys, ducks, etc.)	<u>3,152,585</u>	<u>39.8</u>
Total amount received for Livestock and Livestock Products	\$7,935,581	100.0

Source: U. S. Census of Agriculture, 1959.

#### Marketing Poultry and Eggs

Major farm marketing activity in Lewis County involves poultry and poultry products. The total value of poultry and eggs sold was \$3,152,585 for 1959, or 2 percent above the \$3,091,339 reported for 1954. Sales of poultry products in 1959 represented 40 percent of the total value for all livestock and their products sold and 32 percent of the value of all farm products sold. Some 738 poultry producers in Lewis County sold chickens, eggs and turkeys during 1959.

In 1959, 6,108,363 dozen eggs were sold, or 48 percent above the 4,113,216 dozen reported for 1954. Number of chickens sold in 1959 totaled 1,380,185, an increase of 23 percent over the 1,124,240 reported for 1954. Broilers comprised 81 percent of the number of chickens sold in 1959. It was the same percentage in 1954. Turkeys, ducks, geese, other miscellaneous poultry and their eggs returned \$227,058 to farmers in sales for 1959.

Outlets for poultry, eggs and turkeys are well established in Chehalis, Centralia and Winlock. The Western Farmers Association has a plant in Centralia which processes fryers. Local eggs are also marketed by the Association within the county as well as in Seattle and Tacoma. Farmers also sell poultry and poultry products directly to hatcheries and retailers.

#### Marketing Livestock: Cattle, Sheep and Hogs

The second largest agricultural marketing activity in the county after poultry is the sale of livestock and livestock products involving meat packers, feed yards and breeders. This accounted for 25 percent of the value of all farm products sold in Lewis County for 1959. Total sales amounted to \$2,438,679, placing Lewis fourteenth among Washington counties in livestock and livestock products sold (i.e., other than poultry and dairy). About 31 percent of all livestock and livestock products marketing were made of this sales activity.

Cattle and calves are the major livestock items marketed. The value of sales of cattle and calves for 1959, \$2,298,694, was over two and one-half times the \$904,136 reported in 1954. The 1959 total represents 23.4 percent of the county's farm sales economy as compared with 11.7 percent in 1954. About 10,278 head of cattle worth \$1,793,769 were marketed as slaughter cattle in 1959. Calves sold to feeders and stockers numbered 7,652 with a sales value of \$504,925.

Livestock, including breeding stock, are marketed at auction centers in Centralia and Chehalis. Some are trucked to stockyards in Auburn, Washington and Portland, Oregon. Others are sold by the cattle breeders themselves from their own farms. Local meat wholesalers, packers, slaughter houses and frozen food locker operators located in Chehalis and Centralia provide a good market.

The 1959 value of hogs and pigs sold alive was \$99,990 for Lewis County. This was 6 percent above the \$93,850 of sales for 1954. Around 3,000 hogs and pigs were sold alive by 156 farmers in 1959. Sheep produce two sources of income per year for the farmer: meat and wool. For 1959, the value of sheep and lambs sold was \$19,825, or about 18 percent below the \$24,280 for 1954. Only about 1,500 head were sold by 76 farms in 1959. Lewis County sheepmen also sold 22,853 pounds of wool the same year. Both hogs and sheep are shipped to slaughter houses in Tacoma and to auction yards in Auburn as well as to those located within the county.

Sales of horses brought \$10,800 to farmers of Lewis County in 1959. Around 80 horses were sold from 50 farms.

#### Marketing Dairy Products

The total value of dairy products (milk and cream) sold was \$2,344,317 for 1959, or 31 percent above the \$1,784,011 recorded for Lewis County in 1954. Sales of milk and cream in 1959 represented 29 percent of the total value of all livestock and their products sold, and 24 percent of the value of all farm products sold.

In 1959, there were 738 milk producing farms in Lewis County which shipped 61,148,465 pounds of whole milk and 25,580 pounds of cream. Whole milk is purchased by dairy product plants in Centralia and in Chehalis. Milk is processed locally into various manufactured dairy products as well as distributed as fluid milk to homes and retail stores. Dairy products from the farm are also shipped north to Seattle-Tacoma and south to Portland.

#### Specified Farm Expenditures

Expenditures connected with operating a farm reduce considerably the net income a farmer receives as profits from the sale of crops and livestock. Lewis County farmers who reported expenditures in 1959 spent about \$6,557,742 for feed, supplies, equipment, labor and livestock which represented about 67 percent of the value of all farm products sold in 1959. Feed for livestock and poultry was the major single cost. Nearly 2,000 farms paid out \$4,181,386 for feed and averaged \$2,126 per farm. The second largest expense was for the purchase of livestock and poultry. Expenditures for this purpose amounted to \$1,158,123 in 1959. Hired labor ranked as the third major expense, costing \$530,401 to the county farmers. Gasoline and oil for use in tractors, trucks and combines cost around \$473,169 as reported by 2,237 farmers. A fifth major cost expenditure was for machine hire, referring to the many types of custom farm work such as tractor hire, combining,

plowing, etc. Nearly 890 farms averaged \$143 each for machine hire and in total expended \$126,703 for this item. Expenditures for seeds, bulbs, plants and trees were the smallest, amounting to \$87,960 for 1959. The six major items for farm expense averaged \$2,847 per farm for all farms. Compared with 1954, costs for essential farm labor and supplies enumerated by the Census were less in 1959. Servicing and supplying the farms is an important basis of employment and local business for the cities and communities of Lewis County.

Table 36. Specified Farm Expenditures in 1959  
Lewis County

Type of Expenditure	Number of Farms Reporting	Expenditure of All Farms	Average Per Farm
Feed for livestock and poultry ..	1,967	\$4,181,386	\$2,126
Purchase of livestock and poultry	884	1,158,123	1,310
Machine hire .....	887	126,703	143
Hired labor .....	802	530,401	661
Gasoline, petroleum fuel and oil	2,237	473,169	211
Seeds, bulbs, plants and trees ..	531	87,960	166
Total expended		\$6,557,742	

Source: U. S. Census of Agriculture, 1959.

#### Fertilizer and Lime

Fertilizer was used on about a fourth of all Lewis County farms in 1959. Some 554 farms used 1,691 tons of fertilizer on 17,822 acres. All fertilizers used were of the dry variety.

More fertilizer was used on hay and cropland pasture than any other crop. In 1959, hay and cropland pasture accounted for 73 percent of all fertilizer used and for 67 percent of the acreage fertilized. Wheat ranked second with 1,115 acres fertilized. Other pasture and barley followed wheat, in that order.

In 1959, there were no reports of any use of lime or liming materials by Lewis County farms. In 1954, however, 50 farms reported using 200 tons of lime on 2,095 acres.

Table 37. Use of Commercial Fertilizer On Crops and Pasture  
Lewis County, 1959

Crops and Pasture Fertilized	Farms Reporting Use of Fertilizer	Acres Fertilized		Amount Used	
		Total (Acres)	Percent of Acreage Fertilized	Total (Tons)	Pounds Per Acre
Total Commercial Fertilizer Used	554	17,822	100	1,691	21,000
Hay and Cropland Pasture	437	12,020	67.4	1,236	19,400
Other Pasture	60	745	4.2	43	34,600
Wheat	75	1,115	6.3	63	35,400
Barley	30	240	1.3	17	28,200
All Other Crops	158	3,702	20.8	332	22,400

Source: U. S. Census of Agriculture.