

## PART VII

## Farm Marketing and Level of Living

Location for Marketing

Lincoln County is situated near the center of the Inland Empire trading region and is traversed by three transcontinental railways and three interstate highways connecting Spokane with Puget Sound. It has a good location for marketing of farm products nationally and within the state. Nearly all of its agricultural marketing is in semi-perishable commodities such as grain and livestock which can be transported long distances.

With a relatively small local population, Lincoln County has a surplus of commercial farm products that must be moved to more populous regions and major urban terminal markets. Wheat is the major commodity shipped. Barley, cattle and sheep are other important shipments.

In terms of distance and time, Lincoln County is within economical marketing location related to Spokane and Seattle. Most of its grain and livestock shipping points are within two hours or 75 miles from market terminals in Spokane. The area enjoys rapid and economical freighting to tidewater terminals for wheat on Puget Sound and the Lower Columbia River. Central Lincoln County is about 225 miles from Seattle and Tacoma for rail shipment of grain and livestock and 300 miles from Portland, Oregon.

Transportation Facilities

In recent years, modernized cross-state highways and transcontinental railways using better trucking and railroading equipment have lowered time and costs involved in reaching shipping points for crops and livestock as well as food processing plants in major Pacific Northwest cities. Shipment of wheat and barley is a major marketing activity. This traffic uses U. S. Highways 10 and 2 to reach Spokane and Puget Sound terminals. Truck shipment is mainly used to reach Spokane, while railroads carry a major portion of wheat to the coast. Transcontinental railways providing a grain freight service to Puget Sound and the Columbia River are Northern Pacific, Great Northern, Chicago, Milwaukee, St. Paul and Pacific, and Seattle, Portland and Spokane Railway Companies.

Most livestock are shipped out by way of trucking contractors and farmer-owned trucks. Occasionally a large shipment of sheep or cattle is sent by rail to major livestock yards in Spokane, Seattle or Portland. In recent years truck and carload lots of hogs have been sent to Spokane.

A recent survey by the Washington State Council for Highway Research found that Lincoln County was served by 2,155 miles of roads capable of use for marketing farm products. There is an excellent net of farm-to-market roads making farms readily accessible by trucks. This includes 105 miles of asphalt and concrete surfaced roads, 1,246 miles of gravelled roads and 250 miles of graded surfaces. There are 545 miles of unimproved roads passable most of the year to trucks hauling grain and livestock.

Total Value of all Farm Products Sold, 1954: \$28,716,300

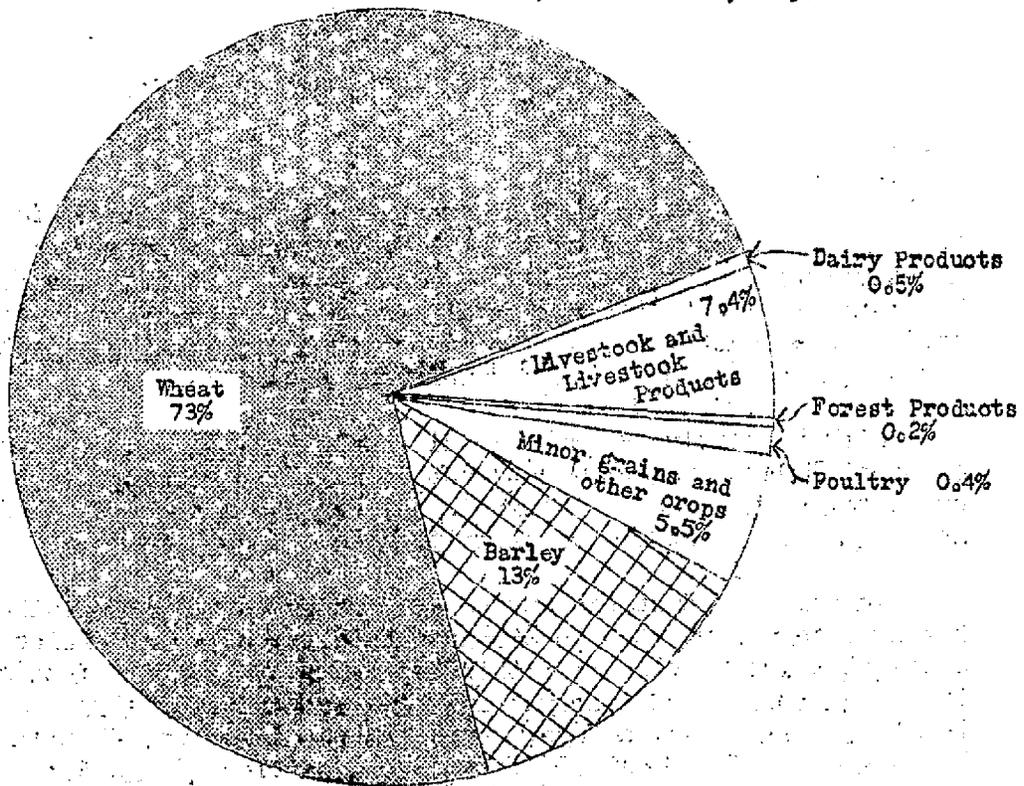


Figure 11.- Sources of Cash Income, Lincoln County Farms, 1954.

Source: U. S. Census, Agriculture

Gross Income, Value of Products Sold

The Census of Agriculture gives a measure of how much Lincoln County farmers receive for the products they sell during a year. Gross receipts by farmers for commercial products sold off farms amounted to \$28,716,000 during the 1954 crop year. This placed Lincoln County third in the state in value of farm production. Sales of wheat, barley and cattle were by far the major sources of income. Valued at over \$21,000,000, wheat was the most valuable commodity. Barley, with a sale value of \$3,100,000, was second. Cattle and calves at \$1,789,360 were third. Wheat alone accounted for 73 percent of all Lincoln County farm marketing and sales of barley made up 13 percent.

Sales of farm products and farm incomes vary by different types and sizes of farms. Most Lincoln County farms are classified as large commercial units. Out of 1,060 farms, 999 make commercial sales and 824 of these exceed sales of \$10,000 per year. Lincoln County is fourth in the state in numbers of high gross income farms selling over \$25,000 worth of products per year. In 1954 there were 450 farms that made sales exceeding \$25,000 and there were 374 exceeding \$10,000. Only a minority made sales in the lower range of \$2,500 to \$10,000.

Agricultural income from farm products trended upward between 1949 and 1954. In the most recent Census, there were total marketings of \$28,716,000

compared with \$20,310,000 in 1949. Based primarily on increased production and strong prices for wheat and cattle, this was a 40 percent rise within the five-year period following 1949.

Marketing Crops: Wheat, Barley and Other Field Crops

About 91 percent of all farm marketings in Lincoln County are field crops with wheat by far the most valuable commodity. In 1954 the 10,551,700 bushels of wheat harvested had a market value to farmers of about \$2.15 per bushel. About 92 percent of the crop was sold and 8 percent kept on farms for feed and seed. Wheat growers marketed about \$21,000,000 worth of the 1954 crop and this crop alone accounted for 73 percent of all farm sales.

Barley was the second major crop marketed. While a minor volume was kept on farms for feed and seed, over 3,000,000 bushels of the 1954 crop was put on the market. Barley growers received an average of \$1.15 per bushel and realized gross returns of over \$3,100,000. Most barley is marketed to feed mills in the local and Inland Empire area.

Oats and rye are minor grains marketed for feed and seed. In 1954 oats were sold by 200 growers. Production was 408,500 bushels and of this 260,000 bushels were put on the commercial market at an average price of 90 cents per bushel, returning \$230,000 to growers. Sales of rye were about 12,000 bushels at \$1.30 which returned about \$15,600 to producers.

Facilities for grain trading, country storage, shipping and hauling are well-developed in Lincoln and the adjacent counties of Spokane, Adams and Grant. State licensed public grain warehouses, elevators and feed mills within Lincoln County have a total storage capacity of 18,346,000 bushels in bulk or sacks. There are 11 major grain buying, warehousing and milling cooperatives and firms operating 65 licensed elevators or grain warehouses within the county. By localities, grain buying and storage centers and stations in Lincoln County are as follows, listed by their registered capacity 1/: Wilbur (2,433,000 bushels), Davenport (2,315,000), Harrington (1,769,000), Reardan (1,605,000), Odessa (1,569,000), Almira (1,530,000), Downs (1,219,000), Sprague (1,215,000), Mohler (1,159,000), Creston (895,000), Govan (892,000), Bluestem (685,000), Edwall (615,000), Waukon (590,000), Mondovi (530,000), Gravelle (470,000) and Lamona (472,000). Storages under 300,000 bushels are also located at Eleanor, Irby, Ganby, Egypt, Rocklyn, Nemo and Omans.

Hay and straw are marketed in minor volumes locally and to hay dealers who serve dairymen and cattle feeders in the Spokane area. In 1954 there were 2,500 tons of alfalfa marketed for \$50,000. Clover and timothy mixtures, grain hay and straw sold amounted to about 800 tons valued at about \$12,000. In general, Lincoln County is a hay deficit area and alfalfa is brought in from irrigated regions of the Columbia Basin to feed cattle and sheep.

1/ Capacities are from Washington State Department of Agriculture Public Grain Warehouses, licensed June 30, 1959. (Mimeographed), Olympia, Washington.

Marketing Fruit and Berries, Vegetables and Potatoes

Berry and fruit marketing, once of significant importance, is minor in Lincoln County. There are about five small commercial plantings of strawberries and raspberries in the northern district near the Columbia and Spokane Rivers. Berries are marketed locally and some are shipped into Wilbur, Davenport and Spokane. Apples and peaches are marketed locally in small volume. In recent years total marketings of berries and fruit have been less than \$5,000 distributed among a few growers.

Table 27.- Crops Marketed From Lincoln County Farms, 1954

Type of Crop Sold	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Field Crops (wheat, barley, oats, hay and potatoes)	\$26,271,694	99.9
Fruits and Berries (apples, peaches, raspberries, straw- berries, etc.)	2,808	.1
Vegetables (sweet corn, tomatoes)	240	
Total amount received by farmers for cash crops	\$26,274,742	100.0

Source: U. S. Census, Agriculture

Commercial vegetable marketing, including potatoes, is limited to some local trading in northeastern Lincoln County. In recent years less than five acres of land have been put in production of commercial vegetables such as sweet corn, tomatoes and other truck crops. In 1954 there were only three farms reporting commercial vegetable sales and their total returns were reported at only \$240.

A minor volume of commercial potatoes is grown in northeastern Lincoln County for local use. In 1954 the Census enumerated about 4,700 hundredweight produced in small garden plots on 257 farms which had a total of 50 acres. Most of the potatoes grown were consumed on farms where produced. There is no annual estimate of the volume of potatoes marketed from Lincoln County. Market value of production for home and local use was over \$10,000 in 1954.

Marketing Livestock

Live animals sold for slaughter and as feeders and breeding stock brought over \$2,000,000 to Lincoln County livestock producers in 1954. Livestock marketing accounts for about 7 to 8 percent of county farm income. Sales of live cattle and calves is the major type of marketing involving over \$1,700,000 worth in 1954. Sales off farms and at auctions are numerous; over 600 farms marketed cattle and calves in 1954. Sheep and lambs are second in livestock marketing. Marketing of hogs is minor in importance but in recent years cooperative raising and marketing of hogs has been on an increase near Edwall. Most Lincoln County livestock is trucked to terminal stockyards at Spokane. Some livestock producers haul stock to community auction yards at Davenport, Coulee City, Moses Lake and Cheney.

Table 28.- Livestock and Livestock Products Marketed  
Lincoln County, 1954

Class of Livestock Products Sold	Quantity Marketed	Amount Received By Farmers
<u>Dairy Products</u>		
Whole milk-----	2,564,903 lbs.	\$ 112,900
Butterfat-----	89,528 lbs.	47,599
Total all dairy products		\$ 160,599
<u>Poultry and poultry products</u>		
Chickens-----	17,406 birds	\$ 17,525
Eggs-----	234,122 dozen	90,746
Turkeys, ducks, geese-----		1,532
Total all poultry & poultry products		\$ 109,803
<u>Animals sold alive</u>		
Cattle-----	9,595 head	\$1,173,657
Calves-----	8,903 head	615,709
Hogs and pigs-----	1,879 head	70,579
Sheep and lambs-----	15,035 head	255,286
Horses and mules-----	133 head	6,799
Total all animals sold alive		\$2,103,030
<u>Other livestock and livestock products sold-----</u>		
		\$ 24,886
Total amount received for livestock and livestock products-----		\$2,398,318

Source: U. S. Census, AgricultureMarketing Poultry and Eggs

Lincoln County poultrymen sell mainly to the local market. Some commercial eggs are shipped to a Washington Cooperative Farmers' Association plant in Spokane. Eggs are the main commodity of poultrymen and about 400 farms sold eggs in 1954 with a return of \$90,000. Lincoln County cities and villages are main markets for eggs. Fryer chickens and turkeys are not marketed in sufficient amounts for local needs and these products are brought in from other regions.

Marketing Dairy Products

In eastern Lincoln County a commercial dairy industry of 30 producers of whole milk and cream market locally in Lincoln County towns and to dairy product distributing plants in Spokane and Cheney. There are over 12 dairy plants in this urbanized area. In recent years Lincoln County producers selling in the Spokane market have come under the Milk Marketing Order No. 108, Inland Empire Marketing Area, Spokane, administered by the U. S. Department of Agriculture for stabilizing prices and allocating distribution for fluid and factory utilization of milk. Dairy marketing from and within Lincoln County involves sales of over \$112,000 worth of fluid milk and \$47,000 worth of cream annually.

Agricultural Income Compared to Other Income Sources

Agriculture is by far the most important part of the Lincoln County economy. Although manufacturing, government, transportation and service trade employment has been increasing, agricultural income in 1954 accounted for over two-thirds of the total. Net profits from sales of wheat, barley and livestock together with farm labor payrolls amounted to \$19,773,000 in 1952 according to a Washington State College study. <sup>1/</sup> Net agricultural income of farm operators and farm labor income has been increasing in recent years, going from \$18,085,000 in 1950 to \$19,773,000 in 1952. Not included in the agricultural income are the jobs which primary production of wheat, barley and cattle create in transportation, handling and storing.

Table 29.- Types and Sources of Income 1950-1952, Lincoln County <sup>1/</sup>

Type and Source of Income	Income In Dollars By Years			Percentage of County Income by Years		
	1950	1951	1952	1950	1951	1952
Agriculture	\$18,085,000	\$13,545,000	\$19,773,000	62.3	55.8	67.7
Construction	1,136,000	382,000	418,000	3.9	1.6	1.4
Government	1,234,000	1,428,000	1,597,000	4.3	5.9	5.5
Manufacturing	673,000	806,000	811,000	2.3	3.3	2.8
Service	769,000	763,000	774,000	2.7	3.1	2.6
Transportation, Communication and Utilities	1,537,000	1,742,000	1,765,000	5.3	7.2	6.0
Trade	2,521,000	2,793,000	1,181,000	8.7	11.5	4.0
Miscellaneous	276,000	271,000	271,000	.9	1.2	1.0
Property Income	1,589,000	1,679,000	1,768,000	5.5	6.9	6.0
Other Income	1,186,000	845,000	864,000	4.1	3.5	3.0
<b>Total</b>	<b>\$29,006,000</b>	<b>\$24,254,000</b>	<b>\$29,222,000</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Specified Farm Expenditures

Expenditures connected with agricultural production reduce the net income a farmer receives as profits from sales of crops and livestock. In the Census of 1954, farmers in Lincoln County reported a total expense of \$4,010,228 for labor, petroleum products, feed, machine hire and fertilizers and other materials and services. The money the growers and farmers spend for these items supports a large share of the commercial activity in the county's cities and towns. Farms represent a substantial market for many services and materials supplied through Davenport, Wilbur, Harrington, Odessa, Sprague and Reardan. Hired labor and petroleum products are two major costs and expenditures made by Lincoln County grain and livestock farmers. Fertilizer and motor fuel purchases are large per farm unit.

<sup>1/</sup> John A. Guthrie and Stanley Boyle, State College of Washington, School of Business, Bureau of Economic and Business Research, County Income Payments in Washington, 1950-1952. Bulletin No. 26, August 1954. Pullman, Wash.

Table 30.- Specified Farm Expenditures in 1954, Lincoln County

Type of Expenditure	Number of Farms Reporting	Expenditure of all Farms	Average Per Farm
Machine hire.....	387	\$ 200,113	\$ 516.93
Hired labor.....	832	1,452,924	1,745.68
Feed for livestock and poultry	812	661,614	814.17
Gasoline, petroleum fuel & oil	1,009	1,125,460	1,114.91
Commercial fertilizer.....	418	570,117	1,363.53
Lime and liming materials.....	2	55	27.50
Total production costs.....		\$4,010,228	

Source: U. S. Census, AgricultureLevel of Living on Lincoln County Farms

On the whole, farm people have not enjoyed as high a level of living as city people. Farm incomes are lower on the average than urban incomes. Because of the isolated location of many farms, such conveniences as electricity, hot and cold running water and telephones have not been as easily available to farm families. This is the general situation in American agriculture.

In Washington State and Lincoln County particularly, however, the farm population compares quite favorably with other population groups in conveniences of modern living. The farm family level-of-living index for the United States was 122 in 1950. With an index of 154, Washington ranked eleventh among the states of the nation in level-of-living.

Table 31.- Indices of Level of Living of Lincoln County Farm Families, 1950 Compared with State and National Averages

Index Items	Percentage of total farm families with listed index items		
	United States	Washington	Lincoln County
Farm Family Level-of-Living	122	154	211
Median Income per Family	\$1,567	\$2,380	\$4,775
Electricity	78.3	92.5	88.8
Electric Hot Water Heater	17.4	49.1	78.5
Electric Washing Machine	58.7	85.4	86.2
Home Freezers	12.1	14.5	43.2
Mech. Refrigerators	62.7	77.4	90.5
Telephone	38.2	57.5	74.7
Hot and Cold Water Plumbing	23.8	70.4	74.8
Central Heating	18.1	17.8	32.6
Houses with More than One Person per Room	22.3	15.7	6.0
Automobiles	63.0	77.6	91.8
Travel 10 Miles or More to Trading Center	21.4	20.5	39.6

Source: Walter L. Slocum and Carol L. Stone, The Farm People of Washington at Mid-Century.

The farm family level-of-living index in Lincoln County in 1950 was 211-- considerably above the state and national average. Lincoln County's average was high because of the above-average farm family income. In Lincoln County this was \$4,775 compared with a state farm family average of \$2,380. Rural farm electrification was slightly below the state average in 1950. Farm homes in Lincoln, however, were above the general level over the state in ownership of electrical appliances, plumbing facilities, heating, telephones and automobiles. Housing standards generally exceeded the level found over state and national farming regions. In the Washington State College study of 1955, Lincoln County was third highest in the ranking of Washington counties as to standards, or levels-of-living in farm homes. 1/

As history and statistics presented in these pages have shown, Lincoln County agriculture is a record of progress by its industrious people. In less than a century, those who have chosen to live on the soil have made it an important farming county. Its numerous, well-managed grain and livestock farms are basic to the well-being of the local and general Inland Empire economy. It is one of the state's key wheat producing regions and one of its most valuable farm counties. Each wheat farm and cattle ranch stands as a living monument to the spirit of enterprise and progress and faith of the agriculturists who have chosen their homes in the Big Bend region of north-eastern Washington.

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1/ Walter L. Slocum and Carol Larson Stone. The Farm People of Washington at Mid-Century. Experiment Station Bulletin 557, Washington State College, Pullman. 1955.