

PART VII

Farm Marketing and Level of Living

Location for Marketing

Agricultural marketing in Okanogan County is somewhat affected by the distance from major metropolitan markets. Its local population of 29,700 is also relatively small as a consumer market. It produces a large surplus of commercial fruit, grain and finished livestock which must be transported considerably distances to reach terminal markets. Transportation cost handicaps are somewhat overcome by producing high quality apples and large volumes of well-finished livestock which have gained good reputation in state and national marketing regions. Specialization in apples which are graded, packed and promoted by well organized fruit cooperatives and private companies and a state Apple Commission have also been an important factor in making Okanogan an important commercial farming area. Okanogan farm products find an important place in Puget Sound, Lower Columbia, California and midwestern markets. Its major product--apples--has national distribution. Cattle and wheat, its second and third commercial products, have good Pacific Northwest distribution.

Transportation

Good railway service and recently improved highways and rapid trucking service have bridged the barrier of distance between Okanogan farms and their city markets. Puget Sound, Spokane and Portland are within a day's time for livestock shipped by rail or truck. Carloads of apples can reach wholesalers within a few days. A branch line of the Great Northern Railway and a fruit express service provided by this railway runs the full length of the Okanogan Valley and connects it with the major fruit assembly and diversion point at Wenatchee. Fruit express cars loaded at Oroville, Tonasket, Omak, Okanogan, Pateros and Brewster are transferred to the transcontinental line of Great Northern at Wenatchee.

Recently improved interstate and state highways have improved the marketing situation particularly for livestock, grain and hay. Most of these bulky products going to Pacific Northwest markets now move by truck and trailer. Interstate highway U.S. 97 is an improved, hard-surfaced highway extending from the Canadian border to Wenatchee, Ellensburg and the Yakima Valley. It joins with U.S. 2 to give good and rapid access to Puget Sound or Spokane. A recent study and survey of the Washington State Council for Highway Research found that Okanogan County was served by 1,637 miles of roads and ranked ninth among the Washington counties in road mileage. As of 1954, there were 204 miles of asphalt and paved roads, 500 miles of gravelled roads and 827 miles of graded roads connecting farms and rural areas to the principal state and federal arterials.

Total Value of Farm Products Sold in 1954: \$13,601,970

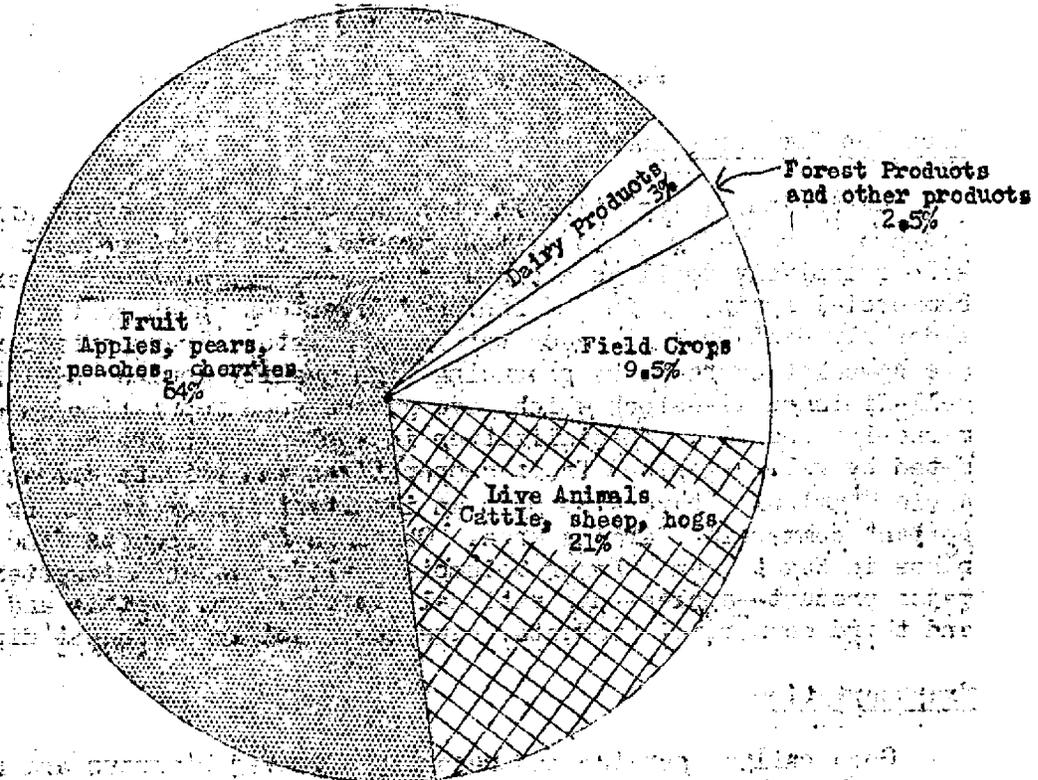


Figure 11.— Sources of Cash Income, Okanogan County Farms, 1954.

Source: U.S. Census of Agriculture, 1954

Gross Income, Value of Products Sold

The Census of Agriculture gives a measure of how much Okanogan County farmers receive for the products they sell during a year. Gross farm income from products sold during the 1954 crop and livestock year amounted to \$13,601,970. This placed Okanogan County thirteenth in the state in value of products sold off farms. Sales of fruit were by far the major sources of farm income. Valued at \$8,695,530, fruit mainly apples accounted for 64 percent of all farm sales. Income from fruit was the third highest among Washington counties. Second major type of product sold was livestock. The livestock industry ranked fifth in the state and returning \$2,817,885 in 1954 made up about 21 percent of sales by farmers within Okanogan County. Field crops such as grains and hay are relatively minor in the marketing picture. Dairy and poultry products, vegetables and forest products are all minor items in this county where fruit and cattle are two major specialties.

A recent study at the State College of Washington has shown that agricultural income gained between 1950 and 1953. According to this study it went up from \$16,636,000 per year to over \$19,000,000. The study also indicated that agriculture was becoming a larger part of the county's economy.

Table 28.-- Types and Sources of Income 1950-1952, Okanogan County 1/

Type and Source of Income	Income In Dollars By Years			Percentage of County Income by Years		
	1950	1951	1952	1950	1951	1952
Agriculture	\$16,636,000	\$17,282,000	\$19,075,000	37.5	37.4	38.8
Construction	1,432,000	578,000	461,000	3.2	1.1	.9
Government	6,980,000	9,058,000	10,015,000	15.7	19.6	20.3
Manufacturing	4,557,000	4,879,000	5,347,000	10.4	10.6	10.9
Service	2,057,000	2,021,000	1,937,000	4.6	4.4	3.9
Transportation, Communication and Utilities	1,129,000	1,204,000	1,188,000	2.5	2.6	2.4
Trade	4,357,000	4,705,000	4,514,000	9.8	10.2	9.2
Miscellaneous	674,000	695,000	617,000	1.5	1.5	1.3
Property Income	2,680,000	2,841,000	3,031,000	6.0	6.1	6.1
Other Income	3,825,000	2,942,000	3,034,000	8.8	6.4	6.2
Total	\$44,398,000	\$46,205,000	\$49,219,000	100.0	100.0	100.0

1/ John A. Guthrie and Stanley E. Boyle, County Income Payments in Washington, 1950-1952. Pullman, Wash. Washington State College, Bulletin No. 26.

Marketing Fruit Crops

Buying, packing and shipping of crops is the major agricultural marketing activity of Okanogan County. Orchard and field crops make up over 73 percent of all marketings. Fruit alone, dominated by apples, provided about 64 percent of all farm products sold during 1954. All crops sold returned over \$10,000,000 during that year and fruit marketings brought in over \$8,695,000 out of this sum. Over 700 farms produced and sold apples and pears in 1954.

Fruit marketing is major activity. Services and facilities are well developed to assemble, pack, process, store and ship large volumes of apples. The Okanogan Valley is the third major fruit producing and marketing area of the state, following the Yakima and Wenatchee Valleys. Most fruit is marketed through growers cooperatives. There were seventeen fruit growers marketing cooperatives and associations operating in Okanogan County as of 1955. 1/ Cooperative sheds, warehouses and shipping facilities were located in the following cities: Oroville, 5 cooperatives; Omak, 3; Brewster, 2; Tonasket, 3; Okanogan, 2 and Pateros, 2. Private buying, brokerage and shipping companies, not organized as grower cooperatives, are also well represented in these valley cities.

U.S. Department of Agriculture, Fruit and Vegetable Division, Market News reports showed that over 4,100 carlot equivalents of apples and other fruits were shipped by rail and truck from Okanogan County during 1956. 2/

1/ State College of Washington, Agricultural Experiment Stations, Pullman, Wash. Stations Circular 128 (Revised). Directory of Farmers' Cooperatives in Washington.

2/ U.S. Dept. of Agric., Fruit and Vegetable Division, Market News Branch, Wash. D.C. Fresh Fruit and Vegetable Carlot Shipments by Commodities, States, Counties and Stations, 1956.

There were 4,091 carlots of apples, 14 of mixed deciduous fruit and 9 of pears. Shipping stations in apples ranked as follows: Oroville 1,243 carloads, Pateros 830, Tonasket 772, Okanogan 472, Brewster 467 and Omak 307. Apples and pears are shipped to state, regional and national and even foreign markets. Exact data on where Okanogan fruits are shipped by rail and truck are not available, but they make up a considerable part of Washington apples which are marketed in all the major cities of the United States. A small portion of the apples are marketed to nearby plants which produce dried apples, juice and sauce. Fruit drying processors outlets are located in Omak, Wenatchee and Yakima Valley.

Table 29.- Crops Marketed From Okanogan County Farms, 1954

Type of Crop Sold	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Fruits (apples, pears, peaches, cherries and other)	\$ 8,695,530	84.7
Field Crops (corn, wheat, oats, barley, dry peas, hay, grass seed, potatoes, etc.)	1,301,310	12.1
Horticultural Specialties (trees, cut flowers, plants, bulbs, seed)	26,020	2.6
Vegetables (sweet corn, tomatoes, cabbage, cucumbers, dry onions, etc.)	5,305	.6
Total amount received by farmers for cash crops	\$10,028,165	100.0

Source: U.S. Census, Agriculture

Marketing Grain and Hay

Grain and hay marketing is a secondary activity in the economy of Okanogan County. Sales of hay, wheat, oats and other field crops range well over \$1,000,000 per year. Some of this trade is with the local cattle feeding industry for, with the exception of wheat and barley, the bulk of most field crops are consumed locally.

The local and outside trade in hay includes off-farm sales of over 8,000 tons of hay per year worth over \$170,000. Baled alfalfa was sold by 190 farms in 1954 and amounted to 6,770 tons worth about \$150,000. Most of this hay was sold within Okanogan and Douglas Counties to cattle men, feeders and feed dealers. Grain hay sales were made by 20 farms totaling about 700 tons worth \$14,000. Local sales of small volumes of clover and timothy and wild hay were also made.

Grain returned about \$930,000 to cash grain growers of Okanogan County during 1954 and wheat was second to apples in cash sale value. Grain buying, storage and milling is mainly outside the county in Douglas, Lincoln and Spokane Counties. Trucks haul the grain to warehouses and granaries in these counties. State licensed public grain warehouses within Okanogan County include a 20,000 bushel warehouse at Omak and a 185,000 bushel house at Brewster.

Some of the grain is milled at Brewster, Okanogan and Oroville for livestock feed mixtures. Okanogan County commercial grain, for the most part, eventually ends at major shipping and milling terminals at Spokane, on Puget Sound and along the lower Columbia River.

Marketing Cattle, Sheep, Hogs and Horses

Sales of live animals for slaughter and for stockers and feeders totaled over \$2,800,000 in 1954 and made up about 21 percent of the county's farming economy. Cattle and calves are the major items, bringing in more than \$2,500,000. Sheep, lambs and wool are second, making up sales of about \$190,000. Hogs brought returns of \$110,000. A large number of farms make annual sales of live animals at auction yards and to country buyers for meat packers and feeding yard operators. In 1954 there were 870 farms selling cattle and calves, 96 selling sheep and lambs and 263 selling hogs. Cattle sales in Okanogan County are the third highest in the state, being behind Yakima and Kittitas County. Trade in horses by farmers in the Colville Reservation and the Okanogan Valley is relatively large in the state. Sales of horses in 1949 were as high as \$25,000, Okanogan ranking third, and in 1954 they were \$11,168, with the county ranking ninth in the state in income from that source.

Table 30.- Livestock and Livestock Products Marketed
Okanogan County, 1954

Class of Livestock Products Sold	Quantity Marketed	Amount Received By Farmers
<u>Dairy Products</u>		
Whole milk-----	7,853,446 lbs.	\$ 307,316
Butterfat-----	171,938 lbs.	87,512
Total all dairy products		\$ 394,828
<u>Poultry and poultry products</u>		
Chickens-----	18,714 birds	\$ 22,870
Eggs-----	226,927 dozen	98,207
Turkeys, ducks, geese----		23,879
Total all poultry & poultry products		\$ 144,846
<u>Animals sold alive</u>		
Cattle-----	15,292 head	\$1,849,880
Calves-----	10,280 head	656,510
Hogs and pigs-----	3,493 head	110,515
Sheep and lambs-----	13,395 head	189,810
Horses and mules-----	171 head	11,170
Total all animals sold alive		\$2,817,885
<u>Other livestock and livestock products sold</u> -----		\$ 51,086
Total amount received for livestock and livestock products-----		\$3,408,641

Source: U.S. Census, Agriculture

Organization, services and facilities for the marketing of livestock are well-developed within and adjacent to Okanogan County. There are only two licensed and inspected slaughter plants in the county--one at Oroville and one at Twisp. Most slaughter livestock are shipped by rail and truck to slaughter plants in the Yakima, Wenatchee and Spokane areas and some go to Puget Sound and Portland. While there are numerous country buyers who buy direct off farms, in recent years more and more livestockmen have been using community livestock auction yards. Livestock are hauled to these yards for weekly auctions and here the buyers bid competitively and generally at the average price going at Spokane, Wenatchee, Yakima, and Moses Lake but with adjustments for hauling costs. Okanogan livestock raisers make use of the state licenses livestock auction yards located in the following cities: Okanogan, Tonasket and Coulee City. Slaughter cattle, feeder cattle, sheep, horses and breeding stock are sold at these yards.

Marketing Dairy Products

Dairy products are sold mainly within the county area for local processing and consumption. Dairymen made sales of nearly \$395,000 during 1954. There were 90 producers of whole milk whose sale of 7,853,450 pounds brought a return of \$307,310 or an average of about \$3,400 each. Cream marketing amounted to \$87,500 divided among 306 producers. Principal markets for milk and cream were a creamery plant in Okanogan which processed and distributed milk, ice cream, butter and cottage cheese. Other sales are made to dairy plants in Omak, Oroville and Riverside preparing milk, ice cream and butter for local distribution in valley communities.

Marketing Poultry and Eggs

Okanogan poultrymen sell mainly to a local market and their production is not quite sufficient to fulfill local demands for fresh eggs and poultry meat products. In 1954 there were 427 producers of eggs who marketed about 227,000 dozen eggs worth \$98,200. Dressed and live chickens, including fryers, are not produced in sufficient quantity for local consumption needs. About 18,700 chickens and fryers worth \$22,760 were sold in 1954. Turkey sales were larger in value being \$23,880. Some poultry marketing is done by farmers to local retailers. The more specialized poultry farms market through the Washington Farmers Cooperative Association which operates distributing stations at Tonasket and Malott and provides a pick-up service for its member egg producers.

Marketing Farm Forest Products

Farm forest products have become more important in agricultural marketing. During 1954 the Census found that about 90 farm places were selling sawlogs, poles, fence posts and other woodland products. Farm woodland owners sold products worth over \$165,000 in 1954, and the county ranked thirteenth in the state in this type of marketing.

Market outlets are mainly in the Okanogan-Methow Valleys and Chelan Valley. Distance is too great for logs to be moved profitably to Puget Sound and Spokane area lumber and pulp mills and primary local outlets are a large mill at Omak, two at Oroville and smaller mills at Okanogan and Pateros. These wood products

plants turn out pine, larch and fir lumber and box and crating material used in fruit shipping. In 1954 there were over 16,000,000 board feet of logs sold off farms to mills in Okanogan County and these sales accounted for about 12 percent of all the logs, poles and wood marketed during the year.

Table 31.-- Forest Products on Farms
Okanogan County, 1954

Type of Product	Farms Reporting	Quantity
Firewood and fuelwood cut-----	230	2,650 cords
Fence posts cut-----	150	46,251 posts
Sawlogs and veneer logs cut-----	83	16,177,000 bd. ft.
Pulpwood cut-----	--	--
Value of firewood, fence posts, logs and other forest products sold-----		\$165,166

Source: U.S. Census, Agriculture

Specified Farm Expenditures--Production Costs

Okanogan farmers who reported expenses in 1954 showed that over the entire county \$5,022,040 was spent for five major types of farm supplies and services. Labor used in harvesting and packing apples, harvesting wheat and tending to livestock is the major farm expense in Okanogan County. Growers and producers paid out an average of \$3,127 per farm for labor and the total farm labor wage payroll in the county amounted to \$3,321,015 during 1954. Feed for livestock cost \$603,000 and fuel bills for mechanized farming and trucking amounted to \$656,000 that same year.

Table 32.-- Specified Farm Expenditures in 1954, Okanogan County

Type of Expenditure	Number of Farms Reporting	Expenditure of All Farms	Average Per Farm
Machine hire.....	879	\$ 220,798	\$ 251.19
Hired labor.....	1,062	3,321,015	3,127.13
Feed for livestock and poultry	1,315	602,815	458.00
Gasoline, petroleum fuel & oil	1,511	655,680	434.00
Commercial fertilizer.....	774	221,732	286.00
Lime and liming materials.....	--	--	--
Total production costs		\$5,022,040	

Source: U.S. Census, Agriculture

Level of Living on Okanogan County Farms

On the whole, farm people have not enjoyed as high a level of living as city people. Farm incomes measured in dollars received for labor or goods sold are lower on the average than urban incomes. City people also have readily available more conveniences. Because of isolation and widely scattered location of their homes it is more difficult for farmers to get electricity, telephones,

power, running water and even highway service. These things are often too costly for private and public utility companies to provide for all rural residents, particularly in mountainous areas. In numerous cases, incomes in mountainous areas are too low for farmers to put in their own electrical, water and other service conveniences which people living in compact city neighborhoods take for granted.

The ownership and use of conveniences generally associated with a modern standard of living is below state averages but above national averages in Okanogan County. A recent study at Washington State College of rural-farm living levels over the state found that Okanogan County had an index of 144 compared with 122 for the United States and 154 for the State of Washington.

Many farms in the irrigated districts of the Okanogan and Methow Valleys are well-equipped and are equal to farms in the richest farming areas of the state. The county average, however, is reduced by numerous isolated farm places in the highlands and in the dryland plateaus which are poorly equipped and too remote to have electrical service. Rural electrification, while more advanced than in the 1930's and 1940's, still had not reached about one-fourth of the farms as of 1954. Use of electrical appliances and labor-saving machinery is consequently below the state average. Telephone use, however, is about equal to the state farm-home average. Plumbing and heating and housing standards are slightly below state averages. Remoteness from towns and trading centers is characteristic of many farm places. About 26 percent of the farms are 10 miles or more away from a trading center, while over the state in general only 20 percent are this far away from a center.

Table 33.- Indices of Level of Living of Okanogan County Farm Families, 1950 Compared with State and National Averages

Index Items	Percentage of total farm families with listed index items		
	United States	Washington	Okanogan County
Farm Family Level-of-Living	122	154	144
Median Income per Family	\$1,567	\$2,380	\$2,130
Electricity	78.3%	92.5%	77.5%
Electric Hot Water Heater	17.4%	49.1%	42.5%
Electric Washing Machine	58.7%	85.4%	69.3%
Home Freezers	12.1%	14.5%	10.8%
Mech. Refrigerators	62.7%	77.4%	68.6%
Telephone	38.2%	57.5%	56.2%
Hot and Cold Water Plumbing	23.8%	70.4%	43.0%
Central Heating	18.1%	17.8%	12.0%
Houses with More than One Person per Room	22.3%	15.7%	24.8%
Automobiles	63.0%	77.6%	74.4%
Travel 10 Miles or More to Trading Center	21.4%	20.5%	26.0%

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

Okanogan County agriculture, while impeded by geographical remoteness, arid climate and mountainous terrain, has made rapid progress. Long an important cattle region, its more recent irrigation developments and specialization in apples have made it one of the important farm counties of the state. In apple production it has become known nationally. Both its orchardists and livestockmen have contributed greatly to the development of this large Canadian border county. Numerous well-managed orchards, cattle and grain ranches stand as living monuments to the faith and enterprise of the men and women who chose their homes in the valleys of Okanogan County.