

## PART VII

## Farm Marketing and Level of Living

Location for Marketing

Being near the center of the populous Puget Sound Basin of western Washington, Thurston County has a good location for marketing agricultural products. Within a radius of 100 miles of Olympia live 1,300,000 people in seven western Washington counties and in two cities, Tacoma and Seattle. It is also within Puget Sound's cattle and poultry region wherein more than 250,000 cattle and over 1,765,000 laying and fryer chickens comprise a good market for grains and feeds. Its immediate marketing area of Thurston and Pierce Counties has an urban population of 293,000.

Transportation

Transportation facilities are modern and rapid and of excellent quality for moving farm products to near and distant markets. Access to coastwise and transcontinental rail and truck facilities make it possible for Thurston County products to move into regional and national market channels. Three railroads--the Northern Pacific, Union Pacific and Great Northern--provide freight service on the main line between Tacoma and Portland. Spurs off the main line provide service to Olympia, Yelm, Lacey, Tenino and Bucoda. Branch lines run westward from Centralia and Olympia to Grays Harbor and serve farm areas around Little Rock, Rochester and Grand Mound.

A highway system including interstate, state and county roads provide good farm-to-market facilities in Thurston County. Interstate, coastwise highway U.S. 99 has recently been improved and modernized providing a rapid route to Tacoma and Seattle and southward to Centralia, Chehalis and farther to Portland, Oregon. State highways 5 and 9 also connect the inland towns of Thurston County with Olympia and the other urban centers of southwestern Washington. There are 240 miles of hard surfaced roads and 581 miles of gravelled roads in Thurston County and the area ranks 20th in the state in highway mileage.

Within the last 20 years improvements made in highways and trucks have resulted in a large shift to truck hauling of the county's farm products. Today nearly all the area's livestock, dairy and poultry products, hay, grain, berries, vegetables and forest products leave the farms by truck to consuming, processing and shipping centers. After processing some of the goods go into railroad refrigerator cars and bulk freight cars for interstate shipment. Through port facilities nearby at Tacoma, Olympia and Grays Harbor products can move readily by ship to coastal and overseas markets.

Income, Value of Farm Products Sold

Agricultural marketing in Thurston County during 1954 involved eight major types of products and returned a gross income of over \$4,000,000 to the farming population. Total sales of farm commodities were greater in 1954 than in 1949 when the total was about \$3,868,000. In total value of products marketed by farmers, Thurston County ranked 25th in the state although in land area it

stood only thirty-second. Highly productive dairy, poultry, livestock and crop specialties make agricultural income relatively high per unit of land area.

Farm gross income from sales of products was divided up among 664 commercial farms in 1954. Only about one-third of all rural places defined as farms by the Census were classified as commercial operations selling \$250 or more worth of products. Non-commercial farms (largely part-time farming and residential) numbered about 1,120. A large majority of Thurston County farmers are not on a full-time, commercial basis.

Total Value of Farm Products Sold in 1954: \$4,000,280

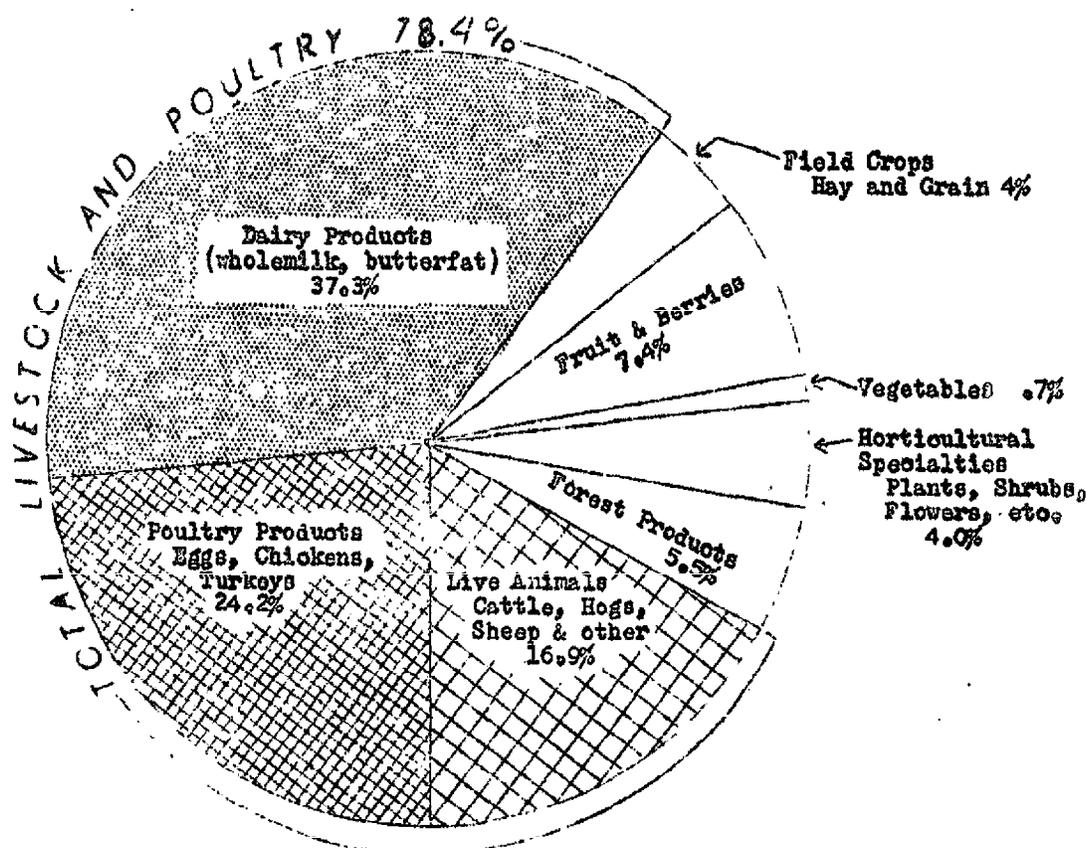


Figure 13.- Sources of Cash Income, Thurston County Farms, 1954

Source: U.S. Census, Agriculture, 1954

Most numerous of the commercial farms were those which sold only \$250 to \$2,500 worth of products. Such operations are classed as low-income farms and there were 283 such farm units in Thurston County in 1954. Medium income farms, which sold \$2,500 to \$10,000 worth of products per year numbered 300. Good income farms from which over \$10,000 worth of livestock products and crops were marketed, numbered 82, and of these there were only 21 farm operations which received a gross return of \$25,000 or more.

#### Marketing of Dairy Products

Trade in dairy products is the major agricultural marketing activity within Thurston County. Dairymen shipped milk and cream valued at \$1,500,000

during 1954 and received about 37 percent of all gross returns paid to farmers. Whole milk was the leading farm product sold, bringing a gross return of \$1,467,460. Whole milk was marketed by 430 farms and 120 sold some cream.

Thurston County is a surplus milk area and marketing facilities and organization are developed to distribute grade A milk and factory milk in the entire Puget Sound area. Milk is marketed under a Federal Milk Order governing the Puget Sound Milk Marketing Area which includes 15 dairy counties in western Washington. In May 1957 there were 153 grade A milk producers in Thurston County who were shipping under the rules of the Federal Milk Order. <sup>1/</sup> As an average during 1956 each producer was shipping 628 pounds of whole milk per day. By 1957 about 84 percent of the milk was leaving dairy farms in tank trucks.

Most of the milk goes to fluid milk plants and country plants located in the south Puget Sound Area or District 3 which includes Thurston, Grays Harbor Pacific and Lewis Counties. Major plants are the Lewis-Pacific Dairymen's Association fluid milk, butter and cheese plant in Chehalis and private fluid milk dairies at Fort Lewis, Tacoma and Olympia.

#### Marketing Eggs and Poultry

Selling poultry and poultry products is the second most important field of agricultural marketing. Chickens, eggs, turkeys and other poultry brought in nearly one-fourth of total gross farm income during 1954, amounting to a total of \$966,050. About 545 farms, many of them of small acreage, shared in these sales.

Fresh eggs are the main item marketed. In 1954 there were 450 farms selling a total of 1,140,680 dozen for a total gross return of \$450,100. Most eggs were handled by branch plants of the Washington Cooperative Farmers' Association located at Olympia, Yelm and Centralia. Some were sold by farmers direct to consumers or to town and roadside retailers. The major poultry marketing cooperative used a country pick-up system to truck the eggs to central plants.

Live turkeys sold to slaughtering plants and freezers was the second major item of income for poultry producers. Turkeys were sold by 40 farms in 1954 with sales of about 50,000 birds worth \$280,000. Major outlets for turkeys were Washington Farmers Cooperative plants in Olympia and Centralia and slaughter and freezing plants in Tacoma, Seattle and Chehalis-Centralia area.

Live chickens were third in importance. In 1954 about 275 farms sold live chickens for the fresh meat and frozen poultry trade and received a total gross return of \$230,000. Sales of broilers were confined to 20 producers in that year who sold 240,000 birds for about \$154,000. Most of the live chickens were delivered to the same poultry marketing cooperative plants that received

-----  
 1/ "Marketing Service Information Reports," Nicholas L. Keyock, Market Administrator, Puget Sound, Washington Milk Marketing Area. Seattle, Washington.

eggs and turkeys for sales distribution in the western Washington marketing area.

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

| Class of Livestock<br>Products Sold                                | Quantity<br>Marketed | Amount Received<br>By Farmers |
|--|----------------------|-------------------------------|
| <u>Dairy Products</u>  |                      |                               |
| Whole milk-----  | 35,694,719 lbs.      | \$1,467,460                   |
| Butterfat-----   | 49,391 lbs.          | 26,670                        |
| Total all dairy products   |                      | \$1,494,130                   |
| <u>Poultry and poultry products</u>                                |                      |                               |
| Chickens-----  | 329,378 birds        | \$ 231,484                    |
| Eggs-----  | 1,140,681 dozen      | 450,100                       |
| Turkeys, ducks, geese----  |                      | 284,466                       |
| Total all poultry & poultry products                               |                      | \$ 966,050                    |
| <u>Animals sold alive</u>  |                      |                               |
| Cattle-----  | 3,502 head           | \$ 377,375                    |
| Calves-----  | 4,185 head           | 131,940                       |
| Hogs and pigs-----   | 4,301 head           | 147,774                       |
| Sheep and lambs-----   | 788 head             | 9,254                         |
| Horses and mules-----  | 74 head              | 5,597                         |
| Total all animals sold alive                                       |                      | \$ 671,940                    |
| <u>Other livestock and livestock products sold</u>                 |                      |                               |
|  |                      | \$ 4,209                      |
| Total amount received for livestock<br>and livestock products----- |                      | \$3,136,330                   |

Source: U.S. Census, Agriculture

#### Marketing Live Animals - Cattle, Hogs, Sheep

About 850 farms in Thurston County marketed live animals during 1954. These involved sales to slaughter plants, country buyers or neighboring farmers or sales to bidders in community auction livestock salesyards in southwestern Washington. Total sales of slaughter, feeder and breeding stock during the last Census year amounted to \$671,940.

Beef cattle and calves, dairy cattle culls and veals were of major value. Over 780 farm operators made sales totaling 3,502 head of mature cattle and 4,185 head of calves. Cattle and calf marketings were valued at \$509,315.

Important market outlets were community salesyards and slaughter plants in Olympia and the Seattle-Tacoma metropolitan area. In recent years most livestock and dairymen have been selling less to country buyers. More and more have trucked livestock to nearby community auction yards where buyers bid on a competitive basis generally paying a higher price as well as the going price over the general Puget Sound market area. State-licensed auction salesyards used by Thurston County livestock producers are located at Rochester, Centralia, Chehalis, Auburn and Enumclaw, Washington.

Marketing other live animals such as hogs and sheep also is done at auction yards but most of them are sold off farms or are delivered to packers or individual buyers. Hogs are of considerable importance with about 3,700 head marketed during 1954 by 95 producers for a return of nearly \$148,000. Pork packing houses in the Tacoma area were the major buyers. Sheep, lambs and wool were of third importance returning nearly \$10,000 to the 36 farms which made sales.

### Marketing Crops

While fourth in importance, crops marketed from Thurston County farms brought total returns of \$643,200 during the Census year of 1954. Commercial crops were diversified among a variety of berries, field crops, tree fruits and horticultural specialties. Berries (primarily strawberries) were the leading commercial cash crop in dollar returns.

Berry and fruit crops were moved to Chehalis, Centralia and Tacoma. In normal years the bulk of the strawberry crop valued at over \$100,000 has gone to freezing plants in these cities. Blueberries, raspberries, blackberries also have gone to processing plants. Berry marketing is mainly on an individual farmer basis. Some berries are sold directly off farms and roadside stands to consumers. In 1954 the sales of berries was done by about 80 strawberry growers, 70 raspberry growers and 15 blueberry growers.

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

| Type of Crop Sold   | Amount Received<br>By Farmers<br>(Dollars) | Percent<br>All Crops<br>Sold |
|---|--|------------------------------|
| Berries, Fruits and Nuts (strawberries, raspberries, blueberries, cherries and other)                   | \$294,271                                  | 45.7                         |
| Horticultural Specialties (shrubs, trees, cut flowers, berry and vegetable plants, bulbs and mushrooms) | 160,315                                    | 24.9                         |
| Field Crops (clover-timothy hay, small grains, silage, clover seed and potatoes)                        | 159,054                                    | 24.8                         |
| Vegetables (snap beans, sweet corn, green peas, cucumbers, tomatoes, etc.)                              | 29,560                                     | 4.6                          |
| Total amount received by farmers for cash crops   | \$643,200                                  | 100.0                        |

Source: U.S. Census, Agriculture

Field crops in the area are mainly traded locally or to dairy districts in neighboring counties. Clover and timothy hay sales on an individual basis by about 70 farmers in 1954 totaled 1,100 tons bringing about \$27,000. Grain sold to feed mills and feeders of cattle, hogs and poultry involved 70,000 bushels of oats, 15,000 bushels of wheat and 4,000 bushels of barley and rye, grossing over \$100,000. Bulk feed mills at Tacoma producing cattle and poultry

rations were an important market but were less important than dairy and poultry farms with their own feed grinders and bulk storage bins. Normally the area has a shortage of alfalfa hay and farmers import it from eastern Washington.

The sale of horticultural specialties is on an individual basis but with some cooperative selling. Some flower and bulb growers in the Nisqually Valley move through the Puget Sound Bulb Exchange located in Sumner, Pierce County. Most flower growers sell to florist wholesalers in Olympia and Tacoma with a few sales made at roadside and country stands. Growers of mushrooms and strawberry plants have developed special channels of marketing. Strawberry plants are certified for quality by state horticultural inspection. About 25 farms market horticultural specialties and their gross returns have ranged between \$160,000 and \$180,000 in recent years.

Marketing activity in processor and fresh market vegetables is relatively minor. Commercial vegetable acreage is generally under 200 acres and only about 40 farms make sales. Truck crops sold are mainly sweet corn, green beans and fresh market peas. Some growers market on a contract basis to cannery and frozen pack plants. Major outlets are a cannery in Olympia, canneries in Puyallup, Centralia and Chehalis and a pickle and relish packer in Tacoma.

#### Marketing Forest Products

Farm forest products have become increasingly important as a source of farm income. In Thurston County, as throughout western Washington, the farm-forest crop has gained in value. Marketing outlets for wood, Christmas trees, forest tree seeds and wild plant products have expanded. In 1954, sales of forest products from farms amounted to over \$220,000, Thurston County ranking eighth in the state.

Table 30.- Forest Products on Farms  
Thurston County, 1954

| Type of Product  | Farms Reporting | Quantity        |
|--|-----------------|-----------------|
| Firewood and fuelwood cut.....   | 451             | 4,434 cords     |
| Fence posts cut.....   | 141             | 22,401 posts    |
| Sawlogs and veneer logs cut.....   | 156             | 9,997 M bd. ft. |
| Pulpwood cut.....  | 10              | 1,933 cords     |
| Value of firewood, fence posts,<br>logs, pulpwood and other forest<br>products sold..... | 192             | \$220,744       |

Source: U.S. Census of Agriculture, 1955.

Local and nearby market outlets for woodland products are numerous. <sup>1/</sup> About 150 farms sell pulpwood, sawlogs, poles and other timbers during the year to mills in Tacoma, Olympia, Shelton, Hoquiam, Aberdeen, Chehalis and Centralia.

<sup>1/</sup> George Stenzel, "Marketing Woodlot Products in the State of Washington", Bulletin No. 15, Institute of Forest Products, Department of Conservation and Development, 303 Anderson Hall, University of Washington, Seattle, 1954.

Trucking distance is short to milling centers on Puget Sound and at Grays Harbor. Christmas trees are sold to a number of buyers in Pierce and Thurston Counties and some farms sell Christmas tree stumpage. Cascara bark and sword ferns are marketed to a specialized processing and packing firm in Chehalis. Two plants in Thurston County, one at Vail and one at the state nursery at Bordeaux, procure and clean Douglas fir and hemlock fir seed cones.

### Specified Farm Expenditures, Farm Operation Costs

Thurston County farmers who reported expenditures in 1954 spent over \$2,804,000 during the year for feed, labor and supplies used in crop and livestock production. Chief farming expense was for livestock and poultry feed. Nearly 1,600 farms bought feed and this cost totaled \$1,804,650 during 1954. As an average, feed costs ran about \$1,130 per farm. Wages and expenses paid for hired labor was a second major cost item in Thurston County agriculture. Labor was hired by 490 farms who paid an average of \$1,205 per farm. The farm work payroll ran over \$590,000 during 1954. Compared with 1949, feed costs on farms have been reduced slightly but 1954 census figures show that costs for labor, machine hire, petroleum and fertilizers have increased.

Servicing and supplying of Thurston County's 1,766 farms is a major basis of business in Olympia, Lacey, Yelm, Tenino, Bucoda and Rochester. This farm trade area is a market for over \$2,000,000 worth of supplies and equipment each year.

Table 31.- Specified Farm Expenditures in 1954, Thurston County

| Type of Expenditure            | Number of Farms Reporting | Expenditure of All Farms | Average Per Farm |
|--------------------------------|---------------------------|--------------------------|------------------|
| Machine hire.....              | 564                       | \$ 86,205                | \$ 152.85        |
| Hired labor.....               | 490                       | 590,561                  | 1,205.22         |
| Feed for livestock and poultry | 1,597                     | 1,804,650                | 1,130.02         |
| Gasoline, petroleum fuel & oil | 1,054                     | 225,710                  | 214.15           |
| Commercial fertilizer.....     | 475                       | 92,151                   | 194.00           |
| Lime and liming materials..... | 30                        | 5,195                    | 173.17           |
| Total production costs         |                           | \$2,804,472              |                  |

Source: U.S. Census, Agriculture.

### Agricultural Income Compared to Other Income Sources

A study published in 1954 has shown that net income derived from net profits in agriculture is relatively low in Thurston County. After deducting costs of production and expenditures made for supplies, services and labor it was found that net income from agriculture was less than \$500,000 per year for all commercial and non-commercial farms operating in the area. This recent study at Washington State College by Guthrie and Boyle of all types and sources of income found that in Thurston County agriculture ranked low and was receiving less than one percent of all the income earned by residents of this county. It was far below government, manufacturing, trade and construction as a source of net income.

Table 32.- Types and Sources of Income 1950-1952, Thurston 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                                 | \$ 318,000                 | *            | *            | .5                                   | *     | *     |
| Construction                                | 2,988,000                  | \$ 2,437,000 | \$ 2,266,000 | 4.5                                  | 3.4   | 3.0   |
| Government                                  | 19,231,000                 | 23,648,000   | 25,459,000   | 29.0                                 | 32.8  | 34.3  |
| Manufacturing                               | 12,749,000                 | 14,250,000   | 14,095,000   | 19.2                                 | 19.8  | 19.0  |
| Service                                     | 5,098,000                  | 5,952,000    | 5,344,000    | 7.6                                  | 8.3   | 7.2   |
| Transportation, Communication and Utilities | 3,339,000                  | 3,783,000    | 4,153,000    | 5.0                                  | 5.2   | 5.6   |
| Trade                                       | 9,238,000                  | 9,922,000    | 10,120,000   | 13.9                                 | 13.8  | 13.6  |
| Miscellaneous                               | 1,841,000                  | 1,624,000    | 1,905,000    | 2.8                                  | 2.2   | 2.6   |
| Property Income                             | 5,165,000                  | 5,475,000    | 5,781,000    | 7.8                                  | 7.6   | 7.8   |
| Other Income                                | 6,423,000                  | 4,959,000    | 5,146,000    | 9.7                                  | 6.9   | 6.9   |
| Total                                       | \$66,390,000               | \$72,049,000 | \$74,269,000 | 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.

\* Less than one-half of 1% and included in Miscellaneous.

#### Level of Living on Thurston County Farms

On the whole, farm incomes and levels of living are below those found in cities and towns. Because of the scattered and 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.

Thurston County's farming districts compare quite favorably with those of all rural areas of America and the State of Washington in living conditions. In fact they measure above the general farm average for the United States and are only slightly below average conditions for all the farming regions of Washington. The average farm income in Thurston was \$2,532 per farm family in 1950, which was above the national and state average. Rural electrification is well advanced. About 90 percent of farms have electric service which is above the national and nearly equal to the state average. The use of electrical home appliances and household conveniences such as hot water heaters, washing machines, freezers and refrigerators is above the general use of these over the nation's farming regions. Use of telephones and modern household plumbing also is above state and national levels. As a whole the farms were less isolated and closer to trading centers than the average in all American counties. The entire farm family level-of-living in Thurston County was graded 139 compared with grades of 122 for the nation and 154 for the state in a recent study of Washington farm people at the State College of Washington.

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

| Index Items                               | Percentage of total farm families with listed index items |            |                 |
|---|---|------------|-----------------|
|   | United States   | Washington | Thurston County |
| Farm Family Level-of-living               | 122   | 154        | 139             |
| Median Income per Family                  | \$1,567   | \$2,380    | \$2,535         |
| Electricity                               | 78.3%   | 92.5%      | 90.7%           |
| Electric Hot Water Heater                 | 17.4%   | 49.1%      | 36.3%           |
| Electric Washing Machine                  | 58.7%   | 85.4%      | 86.4%           |
| Home Freezers                             | 12.1%   | 14.5%      | 23.0%           |
| Mech. Refrigerators                       | 62.7%   | 77.4%      | 70.9%           |
| Telephone                                 | 38.2%   | 57.5%      | 62.3%           |
| Hot and Cold Water Plumbing               | 23.8%   | 70.4%      | 73.1%           |
| Central Heating                           | 18.1%   | 17.8%      | 14.1%           |
| Houses with More than One Person per Room | 22.3%   | 15.7%      | 16.2%           |
| Automobiles                               | 63.0%   | 77.6%      | 73.9%           |
| Travel 10 Miles or More to Trading Center | 21.4%   | 20.5%      | 23.8%           |

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

As history and statistics presented in these pages have shown, Thurston 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 in this south Puget Sound land of valleys and prairies have made it an important farming region of the state. Its numerous dairy, poultry, livestock, berry and specialty crop farms add much to the economic well-being of the Puget Sound Basin and the county's economy. Each farm stands as a living monument to the spirit of enterprise and the faith of the many and varied agriculturists choosing their homes in Thurston County.