

## PART VII

## FARM MARKETING AND EXPENDITURES

Location for Marketing

Pend Oreille County's early isolation has been largely overcome by modern transportation. Most of the farms are located near highways and railroads which allow them to compete economically within the Spokane and Inland Empire agricultural markets. Remoteness of the northern part of the county, however, does add to transport costs which hinder that area's competitive capabilities. This distance factor also increases the costs of essential supplies such as fertilizers, petroleum products and other materials farmers use in production.

Marketing farm products from Pend Oreille County, to a large part, is dependent upon sales in the Spokane metropolitan area which has a population of over a quarter million. Most of the county is within 35 to 100 miles from Spokane and less than 3 hours travel time by modern truck. Sandpoint and Coeur d'Alene in northern Idaho are also within 3 to 4 hours of most Pend Oreille County farms. Newport, the county seat and a rail and highway junction, serves as an assembly and transshipment center for farm and forest products going to Spokane and northern Idaho points. Although the local market is limited, remoteness of the area has given the Pend Oreille farmers some cost advantages in selling to the population living within the county.

Transportation

Transportation facilities for moving farm products to market within and outside of Pend Oreille County are good. The main cross-country route traversing Pend Oreille County is interstate highway U. S. 2 and 195 which connects Newport with Spokane to the south and Sandpoint, Idaho to the east. State Highway 31 follows the Pend Oreille Valley from Newport to the Canadian border where it joins Canadian Highway 6. State Highway 311 crosses south-central Pend Oreille County uniting State Highway 31 near Usk with U. S. 2 and 195 to the south. In the northern part of the county, State Highway 294 connects State Highway 31 at Tiger with U. S. Highway 395 at Colville in neighboring Stevens County. County and other roads provide access to points in the south-central part of the county, along the Pend Oreille River Valley and across both the Selkirk Mountains and Okanogan Highlands.

Two major companies have built railroads within Pend Oreille County. The transcontinental mainline of the Great Northern Railway runs across the southeastern part of the county between Newport and Camden, giving good connections to Spokane and Seattle as well as eastward to Chicago. A branch line of the Chicago, Milwaukee, St. Paul and Pacific Railroad enters Pend Oreille County near its southeastern corner and runs northward to Newport and then up the Pend Oreille River Valley to a terminus at the mining center of Metaline Falls. Railroads have been important in the transporting of the county's forest and mineral products. Formerly, railroads were also the main carriers of farm products to market but today trucks have assumed most of this role.

Income: Value of Products Sold

Census of Agriculture data on the value of farm products sold show that the trend of gross farm income in Pend Oreille County has been upward in recent years.

Pend Oreille County farms marketed agricultural products worth \$1,487,489 in 1959 compared with \$1,043,708 in 1954 and \$990,359 in 1949. Pend Oreille County ranked thirty-third among Washington counties in value of farm products sold in 1959.

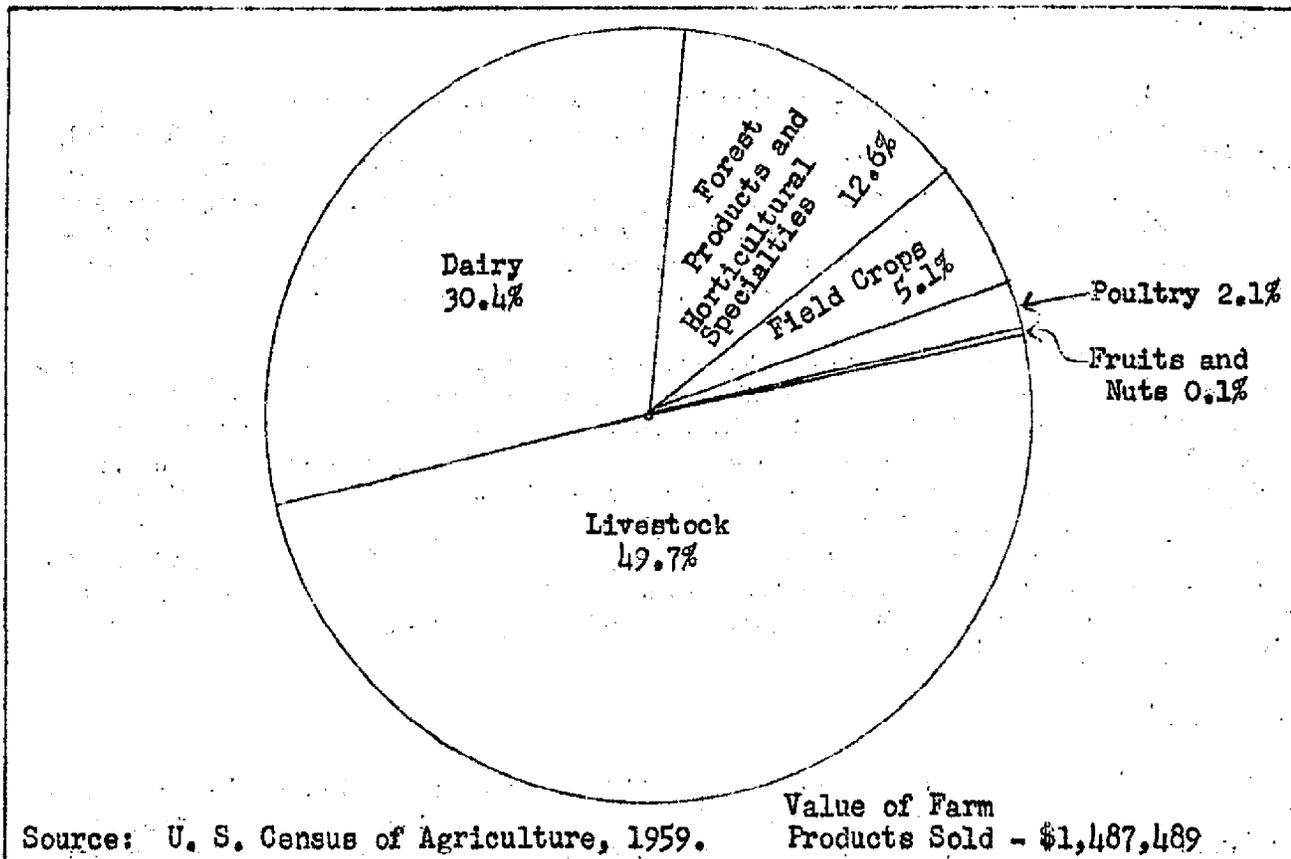


Figure 11. Sources of Cash Farm Income, Pend Oreille County, 1959

Table 27. Livestock and Livestock Products Marketed  
Pend Oreille 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)	\$ 738,119	60.4
Dairy Products (whole milk, butterfat)	452,822	37.0
Poultry and Poultry Products (chickens, eggs, turkeys, ducks, etc.)	30,844	2.5
Other Livestock Products	1,703	.1
Total amount received for Livestock and Livestock Products	\$1,222,488	100.0

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

Total farm sales value of livestock and livestock products for 1959 in Pend Oreille County amounted to \$1,222,488 compared with \$639,899 reported in the 1954 Census. The 1959 total represents 82 percent of the value of all farm products sold in the county during that year and this was higher than the corresponding figure of 61 percent five years earlier in 1954.

Table 28. Crops Marketed From Pend Oreille County Farms, 1959

Crops Marketed	Amount Received By Farmers (Dollars)	Percent All Crops Sold
Fruits and Nuts	804	.3
Field Crops other than vegetables and fruits and nuts	76,259	28.8
Vegetables	50	
Forest Products and Horticultural Specialties	<u>187,888</u>	<u>70.9</u>
Total amount received by farmers for cash crops	\$265,001	100.0

Source: U. S. Census of Agriculture.

All crops (i.e., field crops, vegetables, fruits, horticultural specialties and forest products) sold off Pend Oreille County farms in 1959 were valued at \$265,001. This total was 34 percent below the corresponding figure for 1954. It represented nearly 19 percent of the total value of all agricultural products sold in the county in 1959.

Sales of farm products and farm incomes vary considerably by type and size of farm. In 1959, only about 52 percent of the farms in Pend Oreille County were considered commercial operations by the Census of Agriculture. An estimated 181 farms were classed as noncommercial units consisting of part-time and part-retirement operations. In 1959, the largest percentage (37 percent) of Pend Oreille County farms were Class VII, defined as noncommercial, part-time operations. The commercial Class V category, with agricultural sales per unit ranging between \$2,500 to \$4,999 ranked second in percentage (18 percent) of total county farms for the same year. Class IV commercial farms with value of farm products sold per farm ranging between \$5,000 to \$9,999 followed closely in third place with a figure of 17 percent of the total number. There were no Pend Oreille County farms in 1959 which marketed in excess of \$40,000.

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

Sale of livestock is the major farm marketing activity in Pend Oreille County. Sales of livestock off Pend Oreille County farms amounted to \$738,119 in 1959 or about two and one-half times more than the 1954 figure of \$291,863. The 1959 figure represented about one-half of the total value of all farm products sold in the county during the year.

Cattle and calves are the major animals sold within the livestock marketing activities of Pend Oreille County. In 1959, a total of 302 farms reported selling 5,923 head of cattle and calves worth \$706,945. This was about 96 percent of the county's total livestock sales during the year. Calves made up about 53 percent of the number sold.

Table 29. Farms by Economic Class  
Pend Oreille County, 1959

Economic Class	Value of Farm Products Sold	Number of Farms <u>1/</u>	Percent of Total Estimated Farms in the County
Class I	\$40,000 and over	--	--
Class II	\$20,000 to \$39,999	2	0.5
Class III	\$10,000 to \$19,999	48	12.7
Class IV	\$ 5,000 to \$ 9,999	65	17.1
Class V	\$ 2,500 to \$ 4,999	67	17.6
Class VI <u>2/</u>	\$ 50 to \$ 2,499	<u>17</u>	<u>4.5</u>
Total Commercial Farms		199	52.4
Class VII (Part-time)	\$ 50 to \$ 2,499	141	37.1
Class VIII (Part-Retirement)	\$ 50 to \$ 2,499	<u>40</u>	<u>10.5</u>
Total non-commercial Farms		181	44.6

1/ The totals for farms by economic class are estimates for all farms made on the basis of data reported only for the sample farms.

2/ Farms with a value of sales of \$50 to \$2,499 were classified as commercial if the farm operator was under 65 years of age and (1) he did not work off the farm 100 or more days during the year and (2) the income received by the operator and members of his family from nonfarm sources was less than the value of all farm products sold.

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

Only about 4 percent of the farm income derived from the sale of livestock in 1959 came from the marketing of hogs, sheep and horses. In 1959, 58 Pend Oreille County farms sold alive 786 hogs and pigs valued at \$25,938. In the same year, sheep and lambs numbering 272 and valued at \$3,536 were sold off 11 farms. Also, 11 farms realized an income of \$1,700 from the sale of 18 horses.

Market outlets for Pend Oreille County's live animals are good. Important outlets are the licensed community livestock auction yards. Many of Pend Oreille County's livestock for slaughter are hauled to Spokane for auction. Another important auction yard is located at Deer Park in northern Spokane County. Some of the livestock are hauled to community auction sales yards in Colville and Chewelah in Stevens County. Other sales are made direct to buyers from packing companies and to butchers for the locker beef and pork trade. Pend Oreille County livestock also sell cattle to feedlots in the Spokane area and in the Columbia Basin.

#### Marketing Dairy Products

Sales of dairy products off Pend Oreille County farms amounted to \$452,822 in 1959 or 55 percent above the 1954 figure of \$291,710. The 1959 figure represented

30 percent of the total value of all farm products sold in the county during the year. Pend Oreille County ranked twenty-second among Washington counties in the value of dairy products sold in 1959.

Dairy products sold in 1959 included 11,129,008 pounds of whole milk from 94 farms. Also, 18,945 pounds of butterfat were sold off 88 Pend Oreille County farms in 1959. The major part of Pend Oreille County's milk and cream goes into the Spokane market. The Spokane milkshed includes not only counties in eastern Washington but parts of northern Idaho and western Montana. Tank trucks collect whole milk from the entire area for plants located in Spokane. Because transport costs increase with distance from Spokane, most milk producers in Pend Oreille County are located in the southern part of the county. Some factory milk is sold by the farmers to smaller plants located outside of the city of Spokane in both Pend Oreille and Spokane Counties.

#### Marketing Forest Products and Horticultural Specialty Products

An important part of the farm income in Pend Oreille County comes from the sale of forest products. In 1959, farms numbering 111 made sales amounting to \$182,738. This was about 12 percent of the value of all farm products sold in the county during the year. About 27 percent of the sales figure represents the marketing of standing timber by 56 farms. The remainder involves the sale of firewood, pulpwood, fence posts, sawlogs, Christmas trees and other miscellaneous products off 91 farms. Farm woodlot products are sold to mills located in the Pend Oreille Valley as well as in Spokane, Millwood and Deer Park in Spokane County.

In 1959, only 3 farms in Pend Oreille County reported growing horticultural specialties for sale. Sales amounted to \$5,150 during the year, most of which came from cut flowers, potted plants, florist greens and bedding plants.

#### Marketing Field Crops: Hay and Small Grains

In 1959, Pend Oreille County farmers sold field crops amounting to \$76,259 or 29 percent of the value of all crops sold off the farms. Field crops sales accounted for only 5 percent of the total value of all farm products sold in the county.

More acreage is devoted to hay than any other crop grown in Pend Oreille County. The county's production of alfalfa and clover-timothy hay is largely consumed locally on livestock and dairy farms. Some hay sold off the farms is hauled to Spokane County dairy farms and feedlots.

Most of the oats grown in Pend Oreille County are threshed and consumed locally as livestock feed. In 1959, about 42 percent of the total amount of oats harvested was sold off the farms. Wheat, however, is marketed principally as grain. Market outlets for wheat include feed mills and flour mills located mainly in Spokane County. In 1959, about 81 percent of the wheat harvested was sold off the farms. During the same year, Pend Oreille County farms marketed about 31 percent of the barley harvested. Like oats, barley is grown primarily for feed.

#### Marketing Poultry and Eggs

The poultry industry in Pend Oreille is relatively minor. Pend Oreille County farmers marketed poultry products worth \$30,844 in 1959, about 44 percent less than

the corresponding figure of \$55,576 in 1954. Sales of poultry products in 1959 represented 2 percent of the value of all farm products sold in the county.

In 1959, 94 Pend Oreille County farms reported sales of poultry and poultry products compared with 155 in 1954. Around 80 Pend Oreille County farms reported selling chicken eggs in 1959. During 1959, about 63,820 dozen eggs were sold, about one-third less than the 95,918 dozen reported for 1954. Many of the eggs are marketed through the Western Farmers Association plant in Spokane.

Chickens sold in 1959 totaled 5,987, about 33 percent below the figure of 8,942 reported in 1954. Pend Oreille County farmers have not gone into broiler production. Sales of turkeys, ducks, geese, other miscellaneous poultry and their eggs off the farm increased from \$2,344 in 1954 to \$5,852 in 1959. These items were marketed off 16 farms in 1954 compared with 7 in 1959. The marketing of poultry is aimed for sales in the Spokane urban area as well as for the local scene.

#### Marketing Fruit and Vegetables

In 1959, tree fruits and berries sold off Pend Oreille County farms were valued at \$804. Small quantities of apples and cherries were harvested along with some strawberries, raspberries and grapes. Only one farm reported the sale of vegetables in Pend Oreille County in 1959 whereas 212 farms raised vegetables for home use during that year.

#### Specified Farm Expenditures

Farm expenditures were estimated by the Census of Agriculture at \$628,659 in 1959. This represented 42 percent of the value of all farm products sold during the year. The largest expenditure was for feed for livestock and poultry which added up to \$236,006, showing the importance of livestock farming in the county. The expense figure also includes the cost of grinding and mixing of feed. Purchases of livestock feed were reported by 333 farms in the 1959 Census.

Table 30. Specified Farm Expenditures in 1959  
Pend Oreille County

Type of Expenditure	Number of Farms Reporting	Expenditure of All Farms
Feed for Livestock and Poultry	333	\$236,006
Purchase of Livestock and Poultry	219	133,343
Machine hire	118	18,630
Hired labor	145	103,738
Gasoline, petroleum fuel and oil	375	124,886
Seeds, bulbs, plants and trees	138	12,056
Total expended		\$628,659

Source: U. S. Census of Agriculture.

Purchase of livestock and poultry ranked second as a major cost to Pend Oreille County farmers in 1959. Livestock and poultry worth about \$133,343 were purchased by 219 farms during 1959. Gasoline, petroleum fuel and oil related only to the costs of producing and hauling farm products were third, amounting to

\$124,886 on 375 farms. Outlay for hired labor totaled \$103,738 on 145 Pend Oreille County farms. Machine hire cost 118 county farmers an estimated \$18,630 during 1959. Machine hire expenditures relate to custom machine work, such as tractor hire, grain or seed combining, silo filling, hay baling, plowing, spraying and dusting. The amount spent for labor included in machine hire was considered part of total expenditure. The sixth major cost (\$12,056) represents the total amount spent during the year for seeds, bulbs, plants and trees which were used on 138 farms.

### Fertilizer

About 36 percent of the farms in Pend Oreille County used commercial fertilizer in 1959. Over 460 tons of dry fertilizer were used by 133 farms during the year.

In 1959, more fertilizer was used on hay and cropland pasture than any other crop in the county. About 4,212 acres were fertilized during the 1959 season. Hay and cropland pasture accounted for 84 percent of all fertilizer used and for 81 percent of the acreage fertilized in the county. Other pastures ranked second in acreage fertilized with 240 acres in 1959. Wheat followed in third place with 134 acres fertilized.

Table 31. Use of Commercial Fertilizer  
On Crops and Pasture, for Pend Oreille County, 1959

Crops and Pasture Fertilized	Farms Reporting Use of Fertilizer	Acres Fertilized		Tons Used	
		Total (Acres)	Percent of Acreage Fertilized	Total (Tons)	Percent of Tons Used
Total Commercial Fertilizer Used	133	5,221	100.0	465	100.0
Hay and Cropland Pasture	124	4,212	80.7	391	84.1
Other Pasture	16	240	4.6	22	4.7
Wheat	22	134	2.5	11	2.4
All Other Crops	27	635	12.2	41	8.8

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