

Ohio Agribusiness Compensation Study: 1986

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Information about competitive wage and compensation packages is important to attracting and maintaining a productive workforce. A 1986 survey of compensation practices of Ohio Agribusiness firms revealed that bonuses and profit-sharing plans play a more important role in determining pay level than they did in 1982. Larger firms, measured by gross annual sales, still pay more than smaller firms; but trends by geographic location are not as distinct as they were in 1982. Non-managerial agribusiness employees still earn less than their metropolitan counterparts, but the gap is decreasing.

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I. Introduction

Attracting and keeping productive people is a major challenge for agribusiness firms across the Midwest. Information on competitive compensation packages is important for wage and salary decisions, but can be difficult or impossible to obtain. Sensing that need, the Ohio Grain & Feed Association surveyed its member companies in June of 1986. The objectives of this research were:

- 1) To compile compensation levels of Ohio grain-based firms;
- 2) To compare those levels with a similar survey conducted in 1982;
- 3) To analyze trends in Ohio's grain industry compensation practices;
- 4) And to compare Ohio agribusiness compensation levels with those in Michigan, Indiana, and Illinois.

II. Data Collection

The Ohio Grain & Feed Association patterned its survey after a similar one used by Fiske and Hahn to obtain agribusiness compensation levels in Ohio in 1982¹. The survey focused on seven employee categories: manager, assistant manager, department manager, elevator employee, office-clerical employee, outside salesperson, and seasonal/part-time employee.

One survey was mailed to each member of the Ohio Grain & Feed Association, usually the manager or the owner. For each employee category, member firms were asked to indicate demographic information about the employee, average annual salary,

and benefit information. If more than one person was employed in a particular category, then the survey asked for the "typical" employee in that category.

The firms were also asked about sales volume, geographic location, number of employees, source of new employees, form of business organization, and percentage of their total sales volume represented by sales of grain and beans, general farm supplies, feed, fertilizer, chemicals, seed, and other services.

Three hundred and twenty surveys were mailed and 149 were returned, after a follow up mailing. All 149 were usable. These 149 firms represent 229 of the 645 Ohio Department of Agriculture grain licensees with storage facilities. At the time of the survey, ODA reported 678 actual grain licenses. But 33 of them did not have storage facilities and were only brokers, truckers, or farmers. Thus, the sample yielded a 45.6% response rate and represents 35.5% of licensed grain handlers in the state. In 1982, 436 surveys were mailed with a 26.8% response rate. Because survey methods were generally consistent and the same population was sampled in 1982 and 1986, the data can be compared.

The licensed grain storage capacities of the elevators responding to the survey were compared to the licensed capacities of all Ohio licensed grain facilities and were not significantly different. This is important, since it helps validate the results for all Ohio grain handlers.

III. Product Mix & Employee Work Force

The company size and product mix are shown in Table One (p. 3). The dollar figure represents annual volume of sales. Fifty-six percent of the 1986 respondents indicated their annual volume of sales was more than \$5 million -- only 44% were above \$5 million in 1982.

Again in 1986, the proportion of grain & bean merchandising is directly related to the volume of business. Although more firms reported sales above \$5 million, grain & bean merchandising represented a lower percentage of total sales in 1986 than in 1982, in every sales category. And not surprising with the recent depressed farm economy, agribusiness firms at every level of sales employed fewer people in 1986 than in 1982. This comparison, however, is complicated because in 1982, firms indicated the number of employees. In 1986, firms indicated the number of full-time and number of part-time employees.

Since the 1986 survey included specific categories for feed, seed, and the 1982 survey did not, the results for farm supply, fertilizer, chemical and "other" are not directly comparable.

IV. Summary of Employee Compensation: All Firms

Table Two (p. 4) summarizes salary, bonus, and benefits for six employee categories for all respondents in the sample. All levels of employee compensation are higher in 1986 than in 1982. Managers' base salary is up 32%; assistant managers' up 26%; department managers' up 36%; elevator employees' up 38%, office clericals' up 29%, and outside salespeoples' up 35%.

At first glance, this information looks like good news for

employees of agribusiness firms, but a closer look at Table Two (p. 4) reveals conflicting information. The pattern for bonuses is not as clear. Managers' bonuses in 1986 were less than half what they were in 1982 (\$3,578 in 1986 v. \$7,543 in 1982). Assistant managers surveyed in 1986 were taking home bonuses 41% larger than those reported in 1982.

The cost of benefits as a percentage of base salary is increasing for all categories, except outside salespeople (32% in 1982 vs. 22% in 1986) and managers (21% in 1982 and 20% in 1986.)

Adding salary, benefits, and bonus gives a picture of total compensation. To make an accurate comparison between the two years requires "deflating" of the 1986 total compensation to 1982 levels. GRAPH A (above) makes the comparison using the Gross National Product Implicit Price Deflator (where \$10.00 in 1982 equals \$11.45 in 1986²). This translates to 14.5% inflation over the four-year period, from 1982 to 1986. By comparison, inflation for the previous four years from 1978 to 1982 was 38.5%³.

Using this analysis, managers' total compensation packages have just kept pace with inflation, while some employee categories have average compensation packages worth 20% more in "real dollars." The following are the percentage changes in real dollars for six employee categories of Ohio agribusiness firms from 1982 to 1986: Manager -- down 0.2%; Assistant Manager -- up 15.5%; Department Manager -- up 23.1%; Elevator Employee -- up 24.5%; Clerical Employee -- up 15.9%; and Outside Salesperson-- up 4.4%.

V. Summary of Employee Benefits: All Firms

As in 1982, firms participating in 1986 were asked to indicate whether they provided certain benefits to their employees. The results are summarized in Table Three (pp. 7 & 8). The benefit categories were identical to ones used by Fiske & Hahn in 1982. They are: profit sharing, commission, hospital insurance, major medical insurance, life insurance, income continuation, retirement contribution, uniforms, Social Security, Workers' Compensation, and vehicle.

The 1986 data indicate a trend toward paying for management performance. In 1982, 33% of managers received profit sharing. In 1986, nearly one half did. Three percent of the managers reported receiving commissions in 1982, 11% reported the same in 1986.

Agribusiness' willingness to provide a company vehicle is changing, too. Seventy percent of outside salespeople were provided a vehicle in 1982, only 52% received the same benefit in 1986. In 1982, 55% of the managers surveyed had the use of a company vehicle, in 1986, 51% did. The vehicle figures for assistant managers are: 28% in 1982 and 23% in 1986. The data indicate, however, that department managers fare better: 16% had a vehicle in 1982, but 21% received a vehicle in 1986.

A higher percentage of employees in all categories, except clerical employees, have income continuation plans in 1986 than in 1982. Likewise, a higher percentage of employees in all categories have retirement plans paid for, at least in part, by

their employer. Also, more firms are providing, or sharing the cost of employee uniforms.

As one would expect, agribusiness firms reported a high compliance with Social Security and Workers' Compensation regulations.

VI. Employee Compensation and Characteristics by Sales Class

Table Four (p. 10) summarizes and reports average salary, benefit costs, and bonus for employees by sales category for 1982 and 1986. These categories are annual sales of less than \$2,000,000; annual sales of \$2,000,000 to \$5,000,000; between \$5,000,001 and \$15,000,000; and greater than \$15,000,001. GRAPH B (p. 11) is a pictorial representation of the percentage of respondents in each sales class.

Fiske and Hahn⁴ outlined several cautions about these data in their 1982 study, and they are applicable to the 1986 study. Specifically, firm size is associated with line of business and geographic location. The extent to which these two factors, rather than sales level, contribute to compensation is not clear in this report.

Smaller firms are more likely to be sole proprietorships. The firm's owner/manager may report a salary that represents a return to management and a return to the owner's investment. This survey, like the one in 1982, may not have adequately divided/reported this aspect of compensation.

Again in 1986, the average salary in each employee category, except outside salesperson, increased as the amount of annual

sales volume increased. Following the pattern of salaries, average cost of benefits increased as sales volume increased, across all employee categories except salespeople.

Table Four (p. 10) reports interesting findings on employee bonuses. The largest sales class, those with more than \$15 million in annual sales, reported bonuses two, three, and even five times larger in 1986 than in 1982. While those firms with less than \$2 million in annual sales reported lower bonuses in every category. The "middle two" sales categories do not show trends as distinct as those of the largest and smallest.

VII. Employee Compensation and Characteristics by Geographic Region

Table Five (p. 13) reports the average salary, benefit costs, and bonus of employees of agribusiness firms by geographic region for 1982 and 1986. Geographic region refers to the quadrant of the state: northwest, northeast, southwest, and southeast. GRAPH C (p. 11) is a pictorial representation of the location of firms responding to the survey.

In 1982, a pattern emerged with agribusiness firms in the northern half of the state paying more than firms in the southern half of the state. The 1986 data do not reveal the same trend.

This may be true for several reasons. First, a low number of responses in southeastern Ohio (7 in the manager category) and an extremely high range on several employee categories, may have skewed the results.

Second, economic opportunities that may have been better in

1982 in northeastern Ohio, have dimmed. Fiske and Hahn⁵ hypothesized that the industrialized northeast part of the state may require that agribusiness firms pay more to attract employees. But problems of "rust belt" industries may have dimmed those opportunities. The labor force in northeast Ohio in 1986 was only 95% of its 1982 level. Nearly 125,000 fewer people were in the northeastern Ohio labor force at the time of the 1986 survey, compared with the 1982 survey (2,271,648 in 1982⁶; 2,147,200 in 1986⁷). In that same time period, the northwest Ohio labor force increased slightly (723,819 in 1982; 726,900 in 1986). Excepting southeast Ohio where the data may not be valid for the reasons outlined above, Northern Ohio agribusiness firms continue to pay more in each category than southwest Ohio. But northeast average salaries are no longer higher in every category than northwest Ohio.

VIII. Multi-state Comparison

Concurrent with the Ohio Grain & Feed Association survey, Michigan Agri-Dealers Association, Indiana Grain & Feed Association and the Grain & Feed Association of Illinois were sponsoring similar surveys in their respective states. The survey methods they used were consistent. The three additional states had the following response rates: Michigan, mailed 201 surveys -- 23.3% returned; Indiana, mailed 365 surveys -- 34.5% returned; and Illinois, mailed 651 surveys -- 19.4% returned. GRAPH D (p. 15) compares total compensation (salary, benefits, and bonus) for six employee categories for Ohio, Michigan, Indiana, and Illinois.

Ohio has the lowest total compensation for every employee category, except outside salespeople, where Illinois is the lowest. On the average, Michigan managers, assistant managers, elevator employees and clerical employees have larger total compensation packages. The total compensation of department managers and outside salespeople is highest in Indiana.

GRAPH E (p. 15) compares agribusiness managers' salary, benefit costs, and bonus for Ohio, Michigan, Indiana, and Illinois. Illinois has the highest average salary at \$33,975. Indiana's managers average \$30,772, the lowest among the four states. But Indiana's managers have the highest cost of benefits -- \$8728, and Ohio's the lowest -- \$6477. Michigan's managers received the highest bonus in 1986 -- \$6836, and Ohio's the lowest -- \$3578. When one considers the entire package, Ohio has the lowest total compensation for agribusiness managers.

IX. A Comparison of Compensation of Nonsupervisory Employees:
Agrusiness Versus Metropolitan Manufacturing and Service
Industries

The Bureau of Labor Statistics' Area Wage Surveys offer some comparative statistics for elevator employees and office clerical employees. The area wage surveys are conducted annually in the major metropolitan areas of Cincinnati, Cleveland, Columbus, and Toledo 8, 9, 10 & 11.

Table Sxx (p. 16) is a rough comparison between metropolitan employees and agribusiness employees -- usually small-town or rural. Fiske and Hahn¹² suggested that metropolitan employees

would earn more (given higher costs of living, ease of mobility and presence of labor unions.)

Again in 1986, the comparisons are not direct. To approximate the responsibilities of an agribusiness office/clerical employee, two BLS categories, secretary and accounting clerk, were averaged. To approximate the responsibilities of the typical elevator employee, four categories were selected--representing a metropolitan composite employee/ laborer. The four job titles selected were: truck driver, warehouseman, material handling laborer, and forklift operator.

The BLS reports office/clerical wages in weekly earnings, others were reported in hourly increments. The agribusiness employees' earnings were adjusted to reflect 52 40-hour weeks. This analysis does not account for additional hours worked by agribusiness employees during peak planting and harvesting seasons.

As in 1982, metropolitan employees earned more in 1986 than their colleagues in agribusiness. But several interesting trends did emerge. In 1982, the agribusiness clerical employee earned 87% of what the composite metro office employee earned; in 1986 it was only 77%. The typical elevator employee was doing better in 1986 than 1982, relative to his/her big-city counterpart. In the earlier survey period, elevator employees were earning 68% of what the metropolitan composite employee laborer earned. But in 1986, that comparison had improved to 76%.

X. Implications of the Study

The implications of this study are important to agribusiness because of comparable historical data. Some of the most distinctive data come from the trends emerging over the four-year period.

As discussed earlier, managers' compensation had just kept pace with inflation from 1982 to 1986, while some employee categories took home 20% or more real dollars. This trend is not surprising, since more managers reported compensation packages determined in part by profit-sharing and commissions. To the extent that the agricultural economy has been depressed, you'd expect managers' compensation packages to reflect lackluster overall performance.

Both in 1982 and 1986, an agribusiness employees' compensation was associated with the annual sales volume of his/her employer. One important element of this association is employee bonuses. As more firms tied employee bonuses to company performance, bonuses from the biggest firms got bigger and bonuses from the smallest firms got smaller.

The relationship between geographic region and compensation was not as well defined in 1986. Northeast Ohio was the compensation leader in 1982, but that picture had changed by 1986. Declining economic opportunities in northeast Ohio resulted in a 5% reduction in labor force over the four year period, and an unemployment rate that still hovers above the state and national average. If agribusiness compensation was affected by the strong industrial base of northeast Ohio in 1982, that influence was less in 1986 as industry and people left.

The comparison between metropolitan composite employee/laborers and elevator employees reflects the significant gains the elevator employees made in real-dollar compensation. Using the same inflation deflator discussed earlier, the metropolitan composite employeelaborer realized a 3% increase in real dollars in 1986 over 1982. The elevator employees' real-dollar gain was 24.5%. The differential between agribusiness clerical employees and metro composite clerical employees widened, because the earnings reported by the Bureau of Labor Statistics indicate a real-dollar increase of 28%, while agribusiness increased its clerical employees' compensation 15.9%.

Finally, based on the results of this survey, Ohio managers' salaries rank third out of the four states. When you consider total compensation, Ohio agribusiness employees receive less than their counterparts in Indiana, Illinois, and Michigan in all employee categories except outside salespeople.

REFERENCES

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3. Economic Indicators, prepared for the Joint Economic Committee by the Council of Economic Advisors, Washington, D.C., July 1987, page 2.
4. Fiske and Hahn, Supra., page 79.

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TABLE ONE
 Percentage of Total Sales Derived from Selected Products
 And Employee Work Force of Ohio Agribusiness Firms,
 Averages by Sales Class, 1982 and 1986.

*** FIRMS UNDER \$2,000,000 ANNUAL SALES ***

ITEM	1982		1986	
	AVERAGE	NUMBER	AVERAGE	NUMBER
Grain & Beans %	43.8	20	36.4	21
Feed % ¹			41.9	22
Farm Supplies %	29.9	18	7.9	22
Fertilizer %	25.7	20	10.3	21
Chemicals %	10.5	20	6.1	19
Seed % ²			14.5	25
Other %	16.3	22	9.2	17
No. of Employees ³	6.2	26		
Full-time employees			4.1	26
Part-time employees			2.1	17

*** FIRMS BETWEEN \$5,000,001 AND \$15,000,000 ANNUAL SALES ***

ITEM	1982		1986	
	AVERAGE	NUMBER	AVERAGE	NUMBER
Grain & Beans %	63.1	34	55.5	50
Feed % ¹			16.6	44
Farm Supplies %	14.4	31	7.3	43
Fertilizer %	15.0	30	13.8	43
Chemicals %	7.4	30	8.1	43
Seed % ²			5.0	43
Other %	15.0	29	10.8	39
No. of Employee ³	18.7	37		
Full-time employees			16.1	54
Part-time employees			3.1	43

*** FIRMS BETWEEN \$2,000,001 AND \$5,000,000 ANNUAL SALES ***

ITEM	1982		1986	
	AVERAGE	NUMBER	AVERAGE	NUMBER
Grain & Beans %	58.1	36	50.5	30
Feed % ¹			15.3	27
Farm Supplies %	17.2	32	5.3	27
Fertilizer %	16.9	30	13.8	27
Chemicals %	7.1	33	6.8	26
Seed % ²			11.8	31
Other %	11.2	25	7.9	27
No. of Employees ³	10.2	38		
Full-time employees			9.3	31
Part-time employees			1.8	21

*** FIRMS OVER \$15,000,001 ANNUAL SALES ***

ITEM	1982		1986	
	AVERAGE	NUMBER	AVERAGE	NUMBER
Grain & Beans %	67.3	10	66.9	15
Feed % ¹			11.1	13
Farm Supplies %	9.9	9	4.1	12
Fertilizer %	9.4	8	9.0	13
Chemicals %	3.1	8	4.2	12
Seed % ²			3.0	13
Other %	13.8	9	12.3	8
No. of Employees ³	55.8	10		
Full-time employees			42.5	15
Part-time employees			9.6	14

¹ Feed was not included in the 1982 survey.

² Seed was not included in the 1982 survey.

³ 1982 survey asked firms to indicate "Number of Employees."

In 1986, firms were asked to indicate numbers of "Part-time" and "Full-time" employees.

TABLE TWO
Summary of Annual Compensation Values by Employee Category for
Ohio Agribusiness Firms, 1982 and 1986.

* MANAGER *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	\$24,073	\$11,700	\$60,000	111	\$31,780	\$5,000	\$99,999	149
Benefits	5,009	160	12,000	94	6,477	0	36,600	127
Bonus	7,543	50	25,000	46	3,578	0	33,000	100

* ASSISTANT MANAGER *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	19,326	8,000	50,000	59	24,389	9,308	65,000	86
Benefits	2,987	160	10,000	46	4,967	0	20,090	77
Bonus	1,767	50	18,000	24	2,488	0	20,700	62

* DEPARTMENT MANAGER *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	15,806	9,500	30,000	55	21,443	9360	45,000	91
Benefits	3,069	540	8,000	44	4,969	0	28,580	82
Bonus	722	50	5,030	26	1,219	0	10,000	64

* ELEVATOR EMPLOYEE *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	12,267	1,300	20,500	108	16,932	7,800	77,000	140
Benefits	2,291	168	8,200	83	3,974	145	19,487	121
Bonus	500	50	1,500	40	561	0	5,000	82

* CLERICAL EMPLOYEE *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	10,366	3,500	19,000	98	13,412	650	23,500	134
Benefits	2,057	90	8,000	76	3,168	150	17,000	113
Bonus	507	50	1,046	39	573	0	4,500	76

* OUTSIDE SALESPERSON *

ITEM	1982				1986			
	AVERAGE	Range		NUMBER	AVERAGE	Range		NUMBER
		LOW	HIGH			LOW	HIGH	
Salary	15,549	9,100	25,000	32	21,050	1,700	50,000	73
Benefits	5,030	780	10,000	26	4,675	0	17,480	68
Bonus	1,488	50	4,143	12	1,321	0	7,000	52

TABLE THREE
 Percentage of Employees of Ohio Agribusiness Firms
 Receiving Selected Benefits^a, All Firms, by Employee Category, 1982 and 1986.

*** MANAGER ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	33			47		
Commission	3			11		
Hospital Insur.	77	21		78	18	
Major Med. Insur.	75	19		76	18	1
Life Insurance	50	17	4	54	19	2
Income Continuation	25	11	3	32	9	9
Retirement Contr.	30	26	2	34	28	3
Uniforms	29	11	2	31	14	2
Social Security	33	53	3	29	63	6
Workers' Comp.	85	8		97	1	
Vehicle	55	7		51	4	1

*** ASSISTANT MANAGER ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	33			48		
Commission	7			7		
Hospital Insur.	72	23	2	75	22	
Major Med. Insur.	68	23	2	73	22	1
Life Insurance	48	15	8	52	18	2
Income Continuation	17	10	7	32	6	6
Retirement Contr.	28	20	7	36	24	2
Uniforms	27	12	3	30	13	2
Social Security	40	48	3	28	66	4
Workers' Comp.	78	15	2	97	1	1
Vehicle	28	2	3	23	1	3

*** DEPARTMENT MANAGER ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	42			49		
Commission	44			16		
Hospital Insur.	72	26	2	75	22	1
Major Med. Insur.	74	25	2	71	24	2
Life Insurance	51	21	5	47	24	6
Income Continuation	25	12	2	30	13	11
Retirement Contr.	39	28		30	36	4
Uniforms	40	14		38	17	4
Social Security	33	56	5	30	63	5
Workers' Comp.	79	16	2	97	1	1
Vehicle	16	5		21	1	2

^a"Company" indicates that the benefit was entirely company-paid. "Shared" indicates that the cost was split in some proportion. "Employee" indicates that the employee only paid for the benefit.

TABLE THREE (Con't)
 Percentage of Employees of Ohio Agribusiness Firms
 Receiving Selected Benefits^a, All Firms, by Employee Category, 1982 and 1986.

*** ELEVATOR EMPLOYEE ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	24			41		
Commission	1			6		
Hospital Insur.	71	27	1	73	23	1
Major Med. Insur.	67	26	2	72	23	2
Life Insurance	47	17	6	49	20	4
Income Continuation	20	8	3	31	10	5
Retirement Contr.	28	24	3	31	31	3
Uniforms	35	13	1	37	20	3
Social Security	34	55	4	28	64	6
Workers' Comp.	88	7		95	3	1
Vehicle	5	2		4		

*** CLERICAL EMPLOYEE ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	25			43		
Commission				4		
Hospital Insur.	63	27	2	70	23	1
Major Med. Insur.	51	26	2	68	23	3
Life Insurance	31	14	6	49	20	4
Income Continuation	28	15	3	30	12	6
Retirement Contr.	20	20	2	30	33	4
Uniforms	20	8		23	15	2
Social Security	35	53	3	29	64	5
Workers' Comp.	83	10	1	95	3	1
Vehicle	3	2		4		2

*** OUTSIDE SALESPERSON ***

ITEM	1982			1986		
	COMPANY	SHARED	EMPLOYEE	COMPANY	SHARED	EMPLOYEE
Profit Sharing	48			49		
Commission	45			37		
Hospital Insur.	79	21		77	17	
Major Med. Insur.	76	24		75	18	
Life Insurance	58	15	3	51	25	2
Income Continuation	27	18		33	17	8
Retirement Contr.	30	27	3	32	43	1
Uniforms	42	15	3	34	26	2
Social Security	36	55	3	28	62	6
Workers' Comp.	85	9		95	3	
Vehicle	70	6		52	7	

^a"Company" indicates that the benefit was entirely company-paid. "Shared" indicates that the cost was split in some proportion. "Employee" indicates that the employee only paid for the benefit.

TABLE FOUR
 Summary of Average Compensation Values of Ohio Agribusiness Firms,
 by Employee Category and Sales Class, 1982 and 1986.

ITEM	Under \$2,000,000					\$2,000,000 - \$5,000,000					\$5,000,001 - \$15,000,000					Over \$15,000,001				
	1982		1986			1982		1986			1982		1986			1982		1986		
	AVG.	AVG.	Range	NO.	NO.	AVG.	AVG.	Range	NO.	NO.	AVG.	AVG.	Range	NO.	NO.	AVG.	AVG.	Range	NO.	NO.
Manager																				
Salary	18,572	20,902	9,308	45,000	25	22,032	26,896	15,000	90,000	45	26,504	35,543	5,000	99,999	60	34,261	46,939	24,750	80,000	16
Benefits	3,674	4,815	0	12,000	23	5,669	5,642	500	21,500	40	4,968	6,948	1400	36,600	49	8,283	9,715	3,495	17,500	15
Bonus	9,273	2,145	0	18,000	20	6,033	3,285	0	33,000	30	5,354	3,868	0	30,000	40	3,950	6,168	0	25,000	10
Assistant Manager																				
Salary	14,555	18,689	14,000	42,000	15	17,347	21,602	12,000	35,000	24	19,322	26,094	15,600	60,000	36	28,575	32,663	18,800	65,000	11
Benefits	2,061	3,468	0	8,000	14	3,145	4,429	0	7,850	22	3,412	5,345	1,800	20,090	30	6,250	6,918	1,850	12,623	11
Bonus	1,261	399	0	2,100	12	3,155	1,615	0	13,000	20	2,119	3,311	0	26,700	24	1,600	6,280	0	15,000	6
Department Manager																				
Salary	12,930	15,497	9,360	24,000	8	16,502	19,339	10,000	45,000	23	17,915	22,180	14,675	35,000	47	19,604	26,157	21,470	30,144	13
Benefits	2,320	2,795	0	6,000	8	2,973	4,710	1,000	15,000	20	3,541	5,178	2,000	28,580	41	4,833	6,045	2,360	10,500	13
Bonus	567	309	0	2,000	7	681	836	0	5,000	17	1,249	1,265	0	8,600	33	525	2,840	0	10,000	7
Elevator Employee																				
Salary	10,734	14,132	7,800	24,000	24	13,416	15,521	10,000	20,000	42	14,869	18,438	12,000	77,000	58	16,417	19,498	14,950	26,000	14
Benefits	1,828	2,920	145	12,000	21	2,762	3,592	500	7,000	37	3,050	4,473	500	19,487	48	3,467	4,793	1,680	8,750	15
Bonus	462	219	0	1,500	15	450	467	0	2,000	25	527	535	0	2,600	33	525	1,549	0	5,000	8
Clerical Employee																				
Salary	8,788	9,595	650	15,000	16	11,546	12,869	3,300	23,500	43	12,687	14,365	8,000	20,000	57	13,557	15,574	766	23,000	15
Benefits	1,000	1,603	150	6,000	15	2,459	2,822	500	7,000	37	2,533	3,625	300	17,000	47	3,033	4,229	1,450	5,500	14
Bonus	342	247	0	1,500	10	602	429	0	2,500	22	539	510	0	2,400	34	525	1,290	0	4,500	8
Outside Salesperson																				
Salary	14,120	23,835	8,840	50,000	4	15,445	18,252	1,700	26,000	18	17,150	20,605	10,000	26,000	37	18,500	25,037	15,575	35,000	13
Benefits	4,020	4,607	1,350	10,000	4	3,380	4,561	0	17,480	18	3,744	4,093	0	9,000	32	-	6,646	3,650	12,250	13
Bonus	1,375	255	0	514	3	1,736	1,740	0	6,000	14	717	1,042	0	5,000	26	-	2,355	0	7,000	7

TABLE FIVE
 Summary of Average Compensation Values of Ohio Agribusiness Firms,
 by Employee Category and Geographic Region, 1982 and 1986.

ITEM	Southeast					Southwest					Northeast					Northwest				
	1982		1986			1982		1986			1982		1986			1982		1986		
	AVG.	AVG.	Range		NO.	AVG.	AVG.	Range		NO.	AVG.	AVG.	Range		NO.	AVG.	AVG.	Range		NO.
Manager																				
Salary	16,266	43,428	11,000	*	7	21,869	27,412	11,000	42,000	23	22,630	32,090	9,308	90,000	35	25,436	31,795	5,000	80,000	82
Benefits	5,151	6,101	0	17,500	7	4,625	5,651	2,400	21,500	18	4,272	6,366	500	13,000	28	5,279	6,709	1,400	36,600	72
Bonus	2,750	5,364	0	30,000	7	6,993	3,205	0	33,000	13	6,988	5,417	0	30,000	26	4,190	2,551	0	25,000	54
Assistant Manager																				
Salary	18,750	31,831	13,000	60,000	4	18,410	22,375	13,000	32,000	12	18,682	23,149	9,308	42,000	22	20,900	24,837	10,400	65,000	47
Benefits	3,000	5,318	0	15,000	5	3,496	4,415	0	7,850	10	3,037	4,648	1,232	8,000	18	4,310	5,158	1,800	20,090	43
Bonus	2,000	6,452	0	26,700	5	1,548	2,726	0	13,000	7	1,855	1,526	0	5,000	18	3,091	2,357	0	15,000	32
Department Manager																				
Salary	16,466	21,984	12,000	33,300	4	16,622	19,268	10,000	26,000	15	16,657	22,008	14,711	35,000	25	18,633	21,854	9,360	45,000	47
Benefits	3,266	4,984	0	8,325	5	3,090	3,968	2,145	7,400	12	2,990	4,822	1,000	8,100	19	3,826	5,284	840	28,580	45
Bonus	2,000	2,480	0	8,600	4	883	735	0	1,600	7	1,164	1,348	0	4,400	19	1,210	1,098	0	10,000	34
Elevator Employee																				
Salary	11,992	13,649	9,200	17,800	7	12,292	14,494	10,000	18,500	19	13,579	16,120	9,950	24,000	33	14,454	17,994	7,800	77,000	81
Benefits	2,813	3,842	800	12,345	7	2,575	3,476	1,350	7,000	16	2,604	3,731	500	12,000	26	3,203	4,181	145	19,487	71
Bonus	1,125	591	100	1,068	5	520	500	0	1,400	11	563	483	0	2,600	20	402	606	0	5,000	46
Clerical Employee																				
Salary	11,010	11,027	6,000	18,100	6	10,818	12,594	5,000	17,700	21	11,709	13,034	3,700	20,000	30	11,945	13,970	650	23,500	74
Benefits	3,151	2,257	400	5,351	7	2,430	2,811	550	7,000	16	2,562	2,822	150	6,000	24	2,765	3,463	155	17,000	64
Bonus	250	565	100	1,068	4	549	420	0	1,400	11	720	465	0	2,400	18	435	603	0	4,500	42
Outside Salesperson																				
Salary	18,666	20,050	18,000	22,100	2	15,900	17,369	1,700	25,000	14	17,000	23,700	15,000	50,000	15	18,194	20,877	0	35,000	42
Benefits	4,500	2,733	0	7,000	3	4,192	3,955	0	17,480	11	3,000	5,948	750	10,000	14	3,617	4,557	0	12,250	39
Bonus	2,000	3,000	0	6,000	2	1,473	1,163	0	5,000	10	1,800	1,836	0	5,000	12	553	1,061	0	7,000	27

*Value omitted to protect identity of respondent.

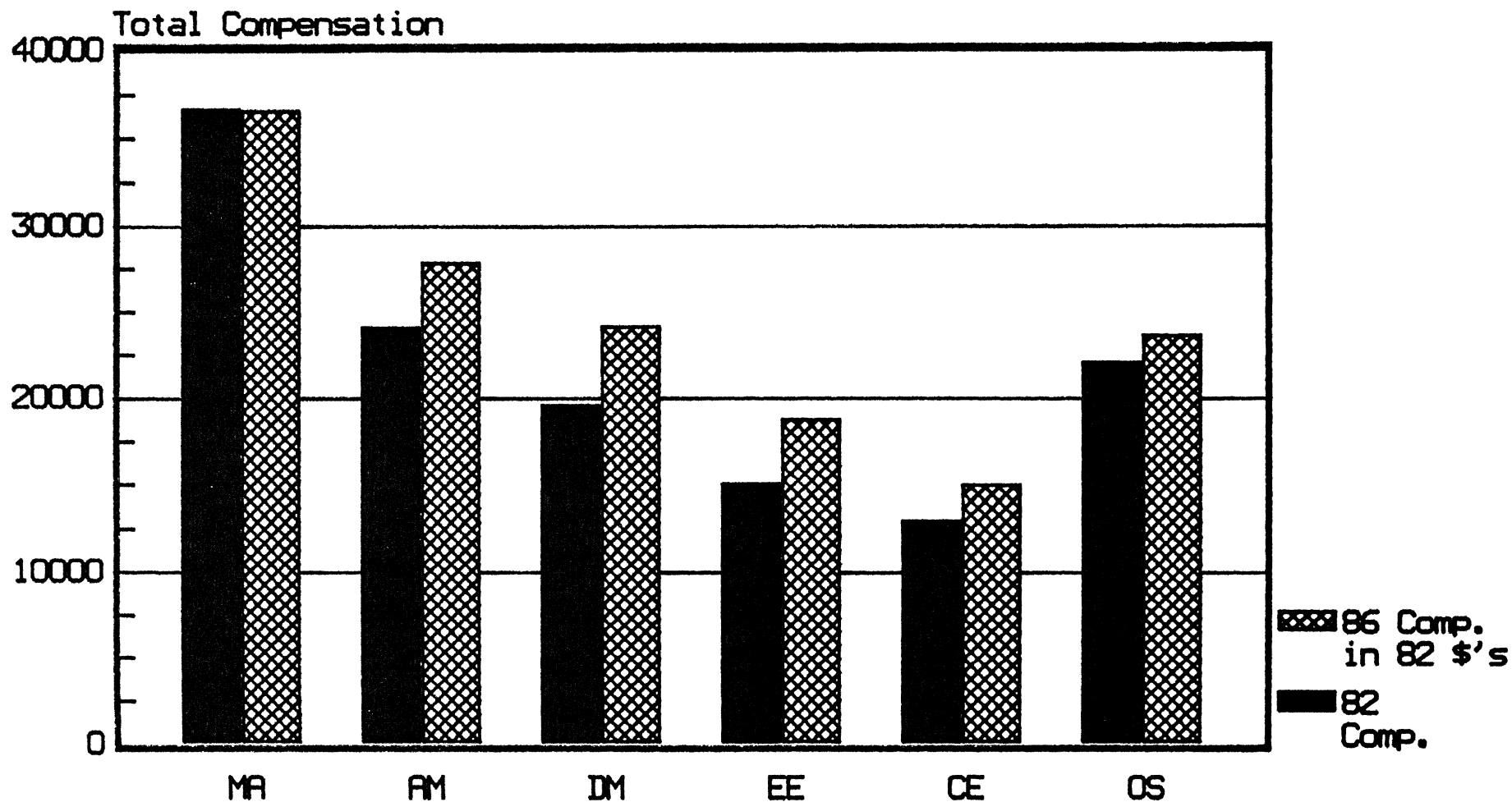
TABLE SIX

A Comparison of Compensation of Nonsupervisory Employees:
 Agribusiness Versus Metropolitan, 1982 and 1986.^a

OCCUPATION	1982		1986	
	NUMBER	AVERAGE	NUMBER	AVERAGE
Office Clerical Employee: Agribusiness	98	\$199/wk	134	\$257/wk
Composite Office- Clerical Employee	11,096	229/wk	17,539	336/wk
Elevator Employee: Agribusiness	108	6.14/hr	140	8.14/hr
Metropolitan Composite Employee/Laborer	26,402	9.04/hr	21,100	10.68/hr

^aSource: U.S. Department of Labor, Bureau of Labor Statistics Area Wage Survey, Cincinnati, Cleveland, Columbus, and Toledo Metropolitan Areas, 1982 and 1986.

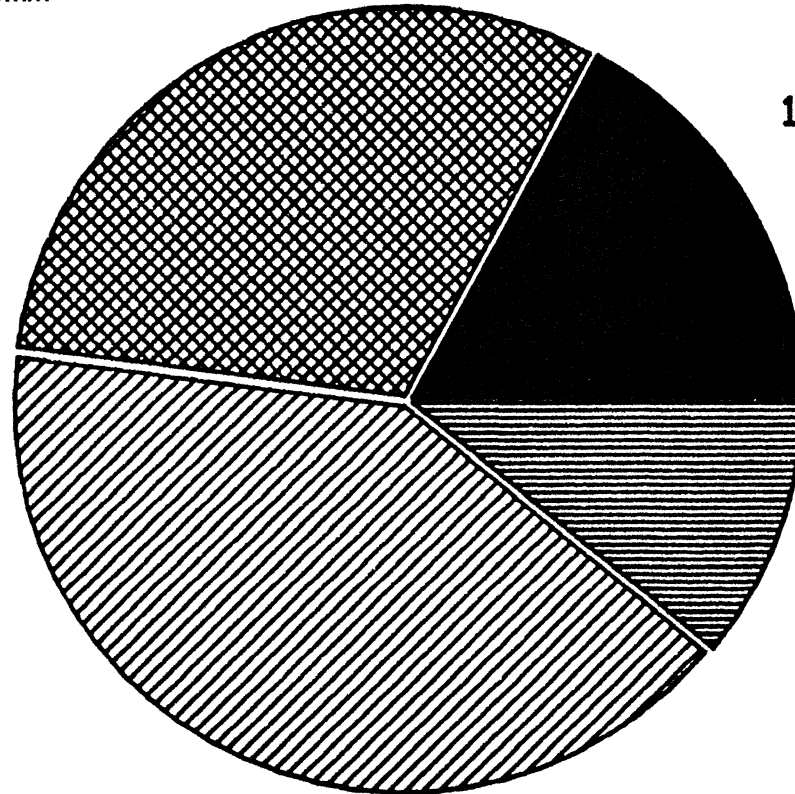
GRAPH A
 Summary of 1986 and 1982 Total Employee
 Compensation of Ohio Agribusiness Firms,
 Deflated to 1982 Dollars



MA=Mgr, AM=Asst Mgr, DM=Dept Mgr, EE=
 Elev Empl, CE=Clerical, OS=Outside Sales

GRAPH B
Annual Sales Volume, in Million Dollars,
of Firms Responding to 1986 Ohio
Agribusiness Compensation Survey

Between 30.8%
\$2mm-\$5mm



17.1% Less than
\$2 million

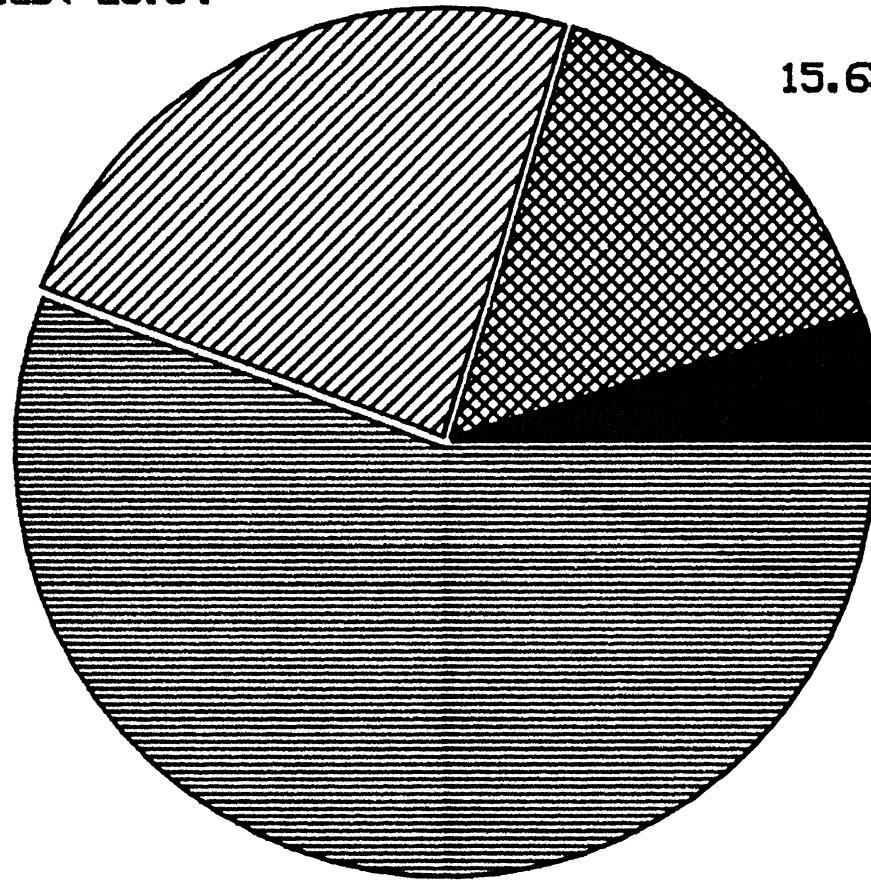
11.0% More than
\$15mm

Between 41.1%
\$5mm-\$15mm

146 Firms Indicated Annual Sales Volume

GRAPH C
Geographic Location of Firms
Responding to 1986 Ohio Agribusiness
Compensation Survey

Northeast 23.8%



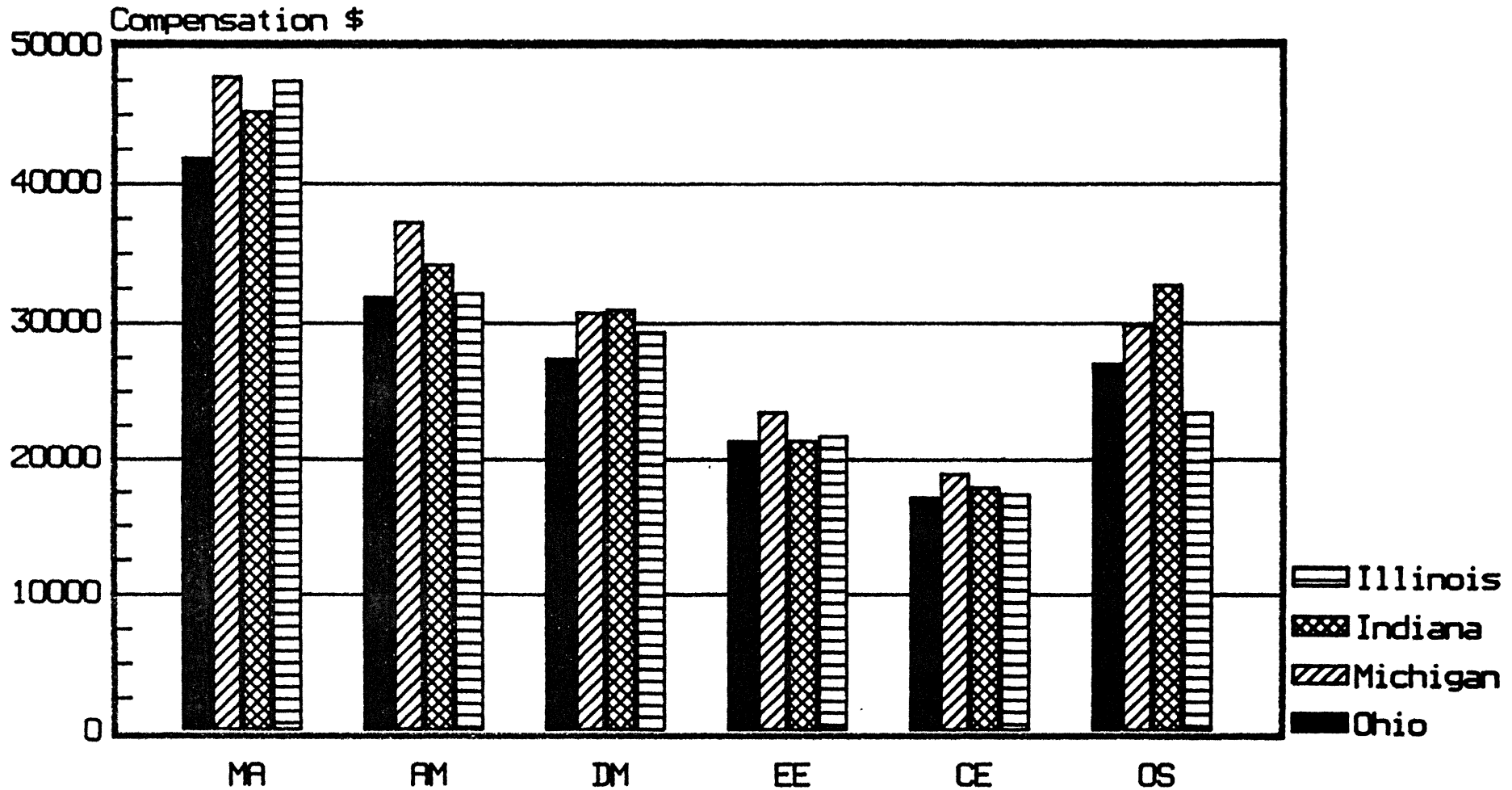
15.6% Southwest

4.8% Southeast

Northwest 55.8%

147 Firms Indicated Geographic Location

GRAPH D
 Summary of Total Compensation, Ohio
 Michigan, Indiana, and Illinois
 Agribusiness Firms, 1986



MA=Mgr, AM=Asst Mgr, DM=Dept Mgr, EE=
 Elev Empl, CE=Clerical, OS=Outside Sales

GRAPH E
Summary Agribusiness Managers'
Compensation, by state, 1986

