

# **Livestock Marketing**

## ***North Central Region***

### **IV LIVESTOCK DEALERS AND LOCAL MARKETS**

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Agricultural Experiment Stations of  
Illinois, Indiana, Iowa, Kansas, Kentucky,  
Michigan, Minnesota, Missouri, Nebraska,  
North Dakota, Ohio, South Dakota, Wisconsin,  
and the United States Department of Agriculture

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## FOREWORD

In November, 1942, the South Dakota Agricultural Experiment Station published Bulletin 365 entitled, "Marketing Livestock in the Corn Belt Region." This bulletin reported the results of a study which had as its purpose to determine the number, type, and location of marketing agencies, and processors, how and where farmers sell and buy livestock of various kinds, and the marketing methods and practices followed by farmers, by the middlemen who handle livestock, and by processors. Fourteen state Agricultural Experiment Stations and the U.S. Bureau of Agricultural Economics cooperated and undertook the study simultaneously. The study was based on transactions in the year 1940.

Since that study was made a number of events occurred which had an important impact on the livestock marketing system. These were: (1) World War II and the accompanying control programs; (2) the post-war inflationary spiral; (3) the Korean War; (4) the sharp break in livestock prices following the Korean War which was accompanied by drought and short feed crops in many areas; (5) shifting population, (a) from rural to urban areas and (b) from one geographical region to another, particularly to the west and south; (6) changing patterns and methods of production of livestock.

A new study was undertaken to determine the nature of changes in marketing patterns and also to promote more detailed data than heretofore on methods of operations of marketing agencies.

The results of the phase of the study are published in North Central Regional Publication 104, Ohio Agricultural Experiment Station Research Bulletin 846, December 1959 entitled, "Livestock Marketing in the North Central Region, I: Where Farmers and Ranchers Buy and Sell." A second bulletin in the series entitled, "Livestock Marketing in the North Central Region, II: Channels Through Which Livestock Move from Farm to Final Destination" dealt with the patterns of livestock movement and changes in their pattern from 1940 to 1957. The third publication investigated auction markets and the present publication deals with the specific role which dealers and local markets play in the livestock marketing in the North Central Region.

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## SUMMARY

Methods of operations employed by livestock dealers and local livestock dealer markets are similar. The major distinction lies in the normal methods and place of procurement of livestock. Local dealer markets have fixed facilities (stockyards) and buy the major part of their livestock at these yards. In contrast, while dealers may have some fixed facilities, they do the major part of their buying away from their yards. Most dealers do not have any yards from which to operate at all. Itinerant dealers are much older than dealer markets, dating back to the early period of settlement in the United States. The major growth in local dealer markets, on the other hand, has taken place during the twentieth century.

Dealers and local dealer markets generally have received less attention from livestock marketing researchers than have most other types of marketing agencies. This research project was aimed primarily at determining the importance of dealers and dealer local markets in the total livestock marketing system in the North Central Region and also at determining their facilities and general manner of operations.

### *Classes of Livestock*

Dealers and local dealer markets handled all types of livestock. The proportion of total livestock handled by them was largest for slaughter hogs with dealers and local markets each handling about equal quantities of slaughter hogs. Dealer and local markets together accounted for about one-third of the total volume of slaughter hogs moving through marketing agencies in the North Central Region in 1957. For other classes of livestock, local markets generally were much less important than were dealers. Local markets handled only about one-fourth as many slaughter cattle and calves as dealers, about two-thirds as many slaughter sheep, and only about 15 percent as much non-slaughter livestock of each class as did dealers. Because of the greater flexibility of their operations, dealers generally were able to pick feeder livestock from scattered points and to transport them to feeding areas. This was done both by dealers located in feeder-producing areas and also by dealers located within the feeding areas. Inasmuch as production of non-slaughter livestock tends to be less concentrated than slaughter livestock, it is more difficult to operate from fixed facilities in handling non-slaughter livestock because there is less volume within a short distance. As a result, local markets cannot compete too effectively in the handling of non-slaughter livestock.

Local markets obtained a higher percentage of their total volume directly from farmers than did dealers. Dealers more frequently bought through auction markets, local markets, and from other dealers on terminal markets. Local markets received a small amount of livestock from dealers, but otherwise almost all of the local market receipts were obtained directly from farmers.

### *Volume*

The total range in volumes of livestock handled (measured in animal units)<sup>1</sup> was similar for both dealers and local markets. However,

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<sup>1</sup>One animal unit equaled 1 head of cattle, 3 hogs or pigs, or 5 sheep or lambs.

most dealers had volumes below 2,000 animal units per year and half of them had volumes of less than 1,000 animal units per year. Local markets tended to be somewhat larger, most of them handling 3,000 to 7,000 animal units per year. The data showed distinct economies of scale in the use of labor as volume increased. The amount of labor used per animal unit was almost 200 minutes for dealers and local markets handling less than 1,000 animal units per year. Minutes of labor per animal unit declined from that level and began to level off at a volume of 6,000 animal units per year. There were some further declines thereafter but, in general, the rate of decline was quite small. Many of the dealers and local markets were able to achieve high labor efficiency with volumes of only 6,000 to 7,000 animal units per year.

#### *Facilities and Operations*

About one-half of both dealers and local markets owned all of their own facilities. Other arrangements included leasing part and owning part, and arrangements where land was leased and buildings were owned. Single proprietorships accounted for the major part of both dealers and local markets. However, the percentage of single ownership businesses was much higher for the small dealers and was lowest for the large local markets.

The average length of time in operation was greater for dealers than it was for local markets. Both dealers and local market operators commonly had other occupational interests in addition to the occupation under study. The most common other occupation was farming. Other occupations were more common for dealers than for local markets and were higher for small markets than for large markets.

The larger markets used their facilities more intensively than did smaller markets. Since local markets all had fixed facilities, while most dealers did not, it was to be expected that many of the functions which dealers were not able to perform for themselves were performed for them at the yards of a local market. For example, 85 percent of the local markets had their own scales, while only 15 percent of the dealers had scales of their own. Most of the local markets bought livestock at their yards six days a week but, comparatively, did much less buying away from the yards than did dealers. In contrast, only about 10 percent of the dealers bought at their yards six days a week, but practically all of them purchased in the country.

Sixty percent of the dealers bought on order for farmers compared with 50 percent of the local markets. Slightly over one-third of both dealers and local markets went out to the farm to price livestock for farmers. Over one-half of both types said they went out to solicit business.

Local markets more commonly had business arrangements or working agreements of one type or another for disposal of their livestock than did dealers. For both types of marketing agencies the percentage having agreements of some nature increased as size of operation increased. About three-fourths of the dealers and local markets did some sorting of livestock, but only about one-fourth sorted a very substantial percentage of the livestock they handled. In general, dealers used more pasture land than did local market operators, but they used fewer pens. Moreover, local markets generally used less total land area than did dealers.

# Livestock Marketing in the North Central Region IV

## LIVESTOCK DEALERS AND LOCAL MARKETS

RICHARD R. NEWBERG<sup>1</sup> AND STANLEY P. HART<sup>2</sup>

### Chapter 1

#### INTRODUCTION

Livestock and livestock products are the most important source of farm income in the North Central Region including Kentucky. This area furnishes approximately 80 percent of the nation's total pork and 50 percent of the beef, veal and lamb. Approximately one-half of the total meat production of these 13 states is consumed outside the region. Most of the excess production goes to meat deficit areas in the North Atlantic and South Atlantic regions, which together contribute less than 10 percent of the farm production of meat, but contain approximately 40 percent of the total population of the United States.

Operating within the North Central Region are several kinds of livestock marketing agencies. These agencies provide a vital link in the channels of movement of livestock from producers to meat packing plants. In the past, much of the research effort in the field of livestock marketing has been devoted to studying such agencies as terminal markets, auctions, packing plants and the retailing and wholesale structures. As a result, probably less is known about the operations of livestock dealers and local markets than any other marketing agencies.

Livestock dealers and local markets play a major role in the movement of live animals between the North Central Region and other regions and also in live animal movement within the area. Local markets are most active in local buying of slaughter livestock, particularly hogs, and forwarding these on to packers, both within and outside the region. Dealers tend to concentrate their activities in non-slaughter livestock classes, particularly between feeder-producing and corn belt feeding areas. However, they do play an important role in handling slaughter livestock and dairy and breeding animals. Dealers generally operate over larger areas in the procurement of livestock than do local markets. Results of survey data (statistically expanded) indicated that these two types of agencies handled over 40 million head of livestock in the 13-state North Central Region in 1957. This publication provides data on facilities and operations of these dealers and local markets in the North Central Region.

#### *History of the Development of Livestock Dealers and Local Markets*

Livestock dealers, as they are known today, began early in the history of the United States livestock industry. They provided a means

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The Executive Committee; C. D. Phillips, J. H. McCoy, E. Dailey, and D. F. Fienup, had responsibility for the direction of the study and preparation of this report.

for exchange of breeding stock. Later, as towns grew so large that residents could not provide for their own meat requirements by farm operations, and as livestock production moved farther back from the Atlantic seaboard, the livestock dealer functioned as an intermediary between the producer and the consumer or town butcher. They commonly bought livestock in the country and drove them to nearby cities. As production increased during the 17th and 18th centuries and export trade in meat products developed, the job of bringing livestock to seaboard packing plants grew in scale.

Sometimes livestock was purchased by dealers and driven to market. Farmers who had relatively small numbers of livestock usually could not afford to make a drive alone. They either united their drives with other small farmers in the interests of safety, convenience and economy, or they sold to local dealers or drovers. In many cases professional drovers trailed livestock to market for a commission, and they spent considerable time lining up cattle for a drive. Many drovers acted as dealers and bought and sold on their own accounts as well as selling their services. Farmers often preferred taking the lower prices in the country rather than trusting the livestock drovers and accepting the risks of long drives.

With the coming of the railroads, it was advantageous for livestock shippers to assemble livestock in quantities large enough to make up carload lots for shipment to public markets. When individual farmers did not market enough stock at any one time to take advantage of carload rates, dealers were able to accumulate livestock in carload lots and ship at substantially lower rates than the farmer could have obtained. The establishment of the cooperative shipping association was detrimental to the operations of many country dealers. Farmers combined directly to ship in carload lots. However, with the development of the motor truck, the importance of the cooperative shipping association diminished and the importance of the livestock dealer increased again. The truck provided the dealer with a high degree of mobility in his operation. The continued importance of dealers may be attributed largely to their ability to change their methods of operations to meet the needs that progress has brought.

The development of local markets, sometimes referred to as concentration yards, local stockyards and assembly points, came late in the nineteenth century. Probably the first local market, as it is known today, was started at McGregor, Iowa, in 1892. It was organized to assemble hogs and was located at a railroad junction. Most of the hogs shipped from this market went to slaughterers in New England. It wasn't until the 1920's that local markets began to become an important factor in the livestock trade. Many reasons have been suggested for the rapid growth of local markets during this period. The following are two of the reasons frequently given: (1) The railroads granted certain rate privileges to local markets that weren't afforded to other types of markets. This not only helped promote local markets but also helped meet the competition of motor trucks. (2) Livestock producers liked the convenience and accessibility of local markets coupled with the fact



that day-to-day prices of the local markets fluctuated less than prices at terminal markets. Also producers were better informed as to the local price situation.<sup>3</sup>

Livestock dealers popularly are referred to as local dealers, trucker-dealers, or trucker-buyers, country buyers, traveling buyers, traders and in some areas as scalpers or pinhookers. Local markets differ from dealers primarily in the place of purchase. While dealers usually purchase at places other than their base of operation, local markets buy mostly at their own yards. All local markets have fixed facilities such as chutes, pens, and scales for handling livestock. Individuals, partnerships, corporations or cooperative associations may own and operate these local markets. It was estimated that there were 5,041 dealers<sup>4</sup> and 686 local markets<sup>5</sup> operating in the North Central Region in 1956.

Little detailed data exists concerning operations and facilities of livestock dealers or local markets in the North Central Region. *Marketing Livestock in the Corn Belt Region*, a North Central Regional publication published in 1942, presented for the first time a broad picture of the livestock marketing system based on data obtained for the year 1940.<sup>6</sup> This publication provided some data on operations of dealers and local markets. But since then many changes have occurred in the marketing system.

In December 1959 another regional bulletin entitled, *Livestock Marketing in the North Central Region 1: Where Farmers and Ranchers Buy and Sell*, was published.<sup>7</sup> This study, using 1956 as the base year, showed the changes that had taken place in the livestock marketing picture. Main emphasis was given to the farmer and his methods and reasons for marketing the livestock he produced.

In recent years work has been done in the North East Region on operations of livestock dealers. The bulletin, entitled, *Analysis of Livestock Dealers' Operations in Maine and Vermont*, published April 1961, analyzed the costs and returns of livestock dealer's operations in the two states. An earlier publication, *Livestock Dealers' Operations in North Eastern United States*, May 1957, deals with the sources of purchases and sales outlets and some of the business practices of livestock dealers.

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<sup>3</sup>R. C. Ashby, *Local Livestock Markets in Relation to Corn-Belt Hog Marketing*, University of Illinois Agricultural Experiment Station Bulletin 408, December 1934.

<sup>4</sup>In Illinois there were 20 full-time dealers with another estimated 800 individuals who do some livestock dealing part-time. In Indiana there was an estimated 456 dealers operating, in Kentucky 424, in Ohio 159, in Michigan 424, in Wisconsin 1,005, in Iowa 453, in Kansas 150, in Minnesota 478, in Missouri 546, in Nebraska 316, in North Dakota 150, and in South Dakota 640. In 1940 there was an estimated 9,880 livestock dealers operating in the North Central States. Thus through the years the number of dealers has increased. See R. R. Newberg, *Livestock Marketing in the North Central Region*, North Central Regional Publication 104, December 1959, p. 13.

<sup>5</sup>There were 31 in Illinois, 103 in Indiana, 20 in Kentucky, 28 in Michigan, 134 in Ohio, 187 in Wisconsin, 34 in Iowa, 9 in Kansas, 99 in Minnesota, 52 in Missouri, 4 in Nebraska, 4 in North Dakota, and none in South Dakota. The actual number may be somewhat larger because of underenumeration in the 1956 study. Ibid.

<sup>6</sup>*Marketing Livestock in the Corn-Belt Region*, Bulletin 305, November 1942, South Dakota Agricultural Experiment Station.

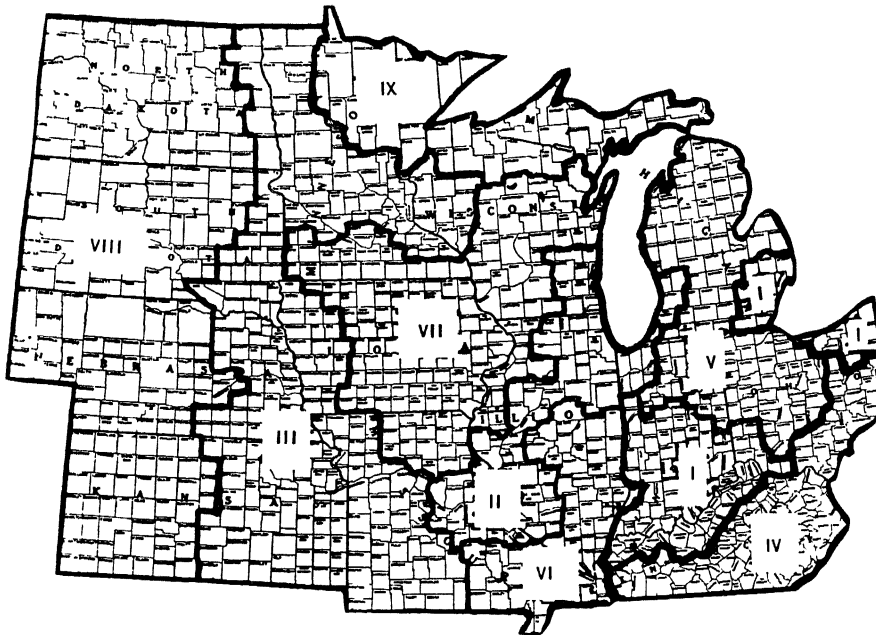
<sup>7</sup>R. R. Newberg, *Livestock Marketing in the North Central Region 1: Where Farmers and Ranchers Buy and Sell*, North Central Regional Publication 104, December 1959.

### *Objectives and Procedure*

The objective of the present study was to provide detailed data on facilities and operations of dealers and local markets in the North Central Region. More specific objectives were:

1. To determine the importance of dealers and local markets measured in volume of various classes of livestock handled.
2. To determine the channels of procurement and disposition of livestock handled by dealers and local markets.
3. To determine the general methods of operations and services provided by dealers and local markets.
4. To determine the types of facilities used by dealers and local markets.
5. To measure the relationship of volume to facilities used, methods of operation, service and labor requirements.

The North Central Region was divided into 54 areas on the basis of livestock density and methods of marketing. Those divisions were made on the basis of census data and general knowledge of state researchers of livestock production practices, and marketing in individual counties. Some adjustments were made where areas crossed state boundaries to achieve homogeneity among states (Figure 1). Data were collected in



**Fig. 1.**—Areas used in analyzing the operations and facilities of livestock dealers and local markets in the North Central States and Kentucky.

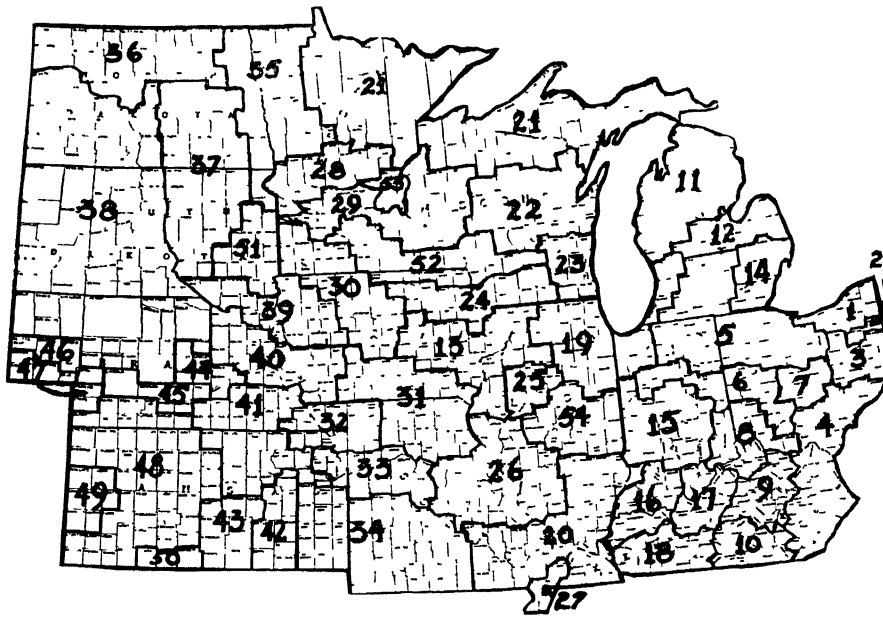


Fig. 2.—Areas used in analyzing the operations and facilities of livestock dealers and local markets in the North Central States and Kentucky, 1957-1960.

each of the 54 areas, using a sampling rate in each area of five dealers plus 10 percent of the remaining dealers and five local markets plus 25 percent of the remaining local markets. Where separate lists of dealers and local markets were not available, the sampling rate from the combined list was five plus 20 percent of the remaining combined list of dealers and local markets.

Data on the 1957 operations of livestock dealers and local markets were obtained by personal interviews. The volume data secured in the enumeration were expanded for each of the 54 areas. These volume data include sources and disposition of each type of livestock handled by livestock dealers and local markets. Because of the quantity of the data thus accumulated, areas were combined on the basis of general marketing patterns and types of livestock marketing (Figure 2). These combined data are presented in this study for nine large areas. This study covers the operations of 243 local markets (approximately one-third of the local markets operating within the region) and 679 dealers (approximately one-eighth of the dealers operating within the region). These were the numbers of usable livestock dealer and local market questionnaires received from contributing researchers in the thirteen cooperating states.

## Chapter II

### VOLUMES HANDLED AND SOURCES AND OUTLETS FOR LIVESTOCK HANDLED BY DEALERS AND LOCAL MARKETS

#### *Volume Handled*

Tables 1 and 2 show the estimated volume of livestock handled by dealers, local markets and other marketing agencies. These tables also show sales and purchases by farmers and livestock slaughterers within each of the areas that have been specified in Figure 2.

Livestock dealers and local markets play a major role in the total marketing system in the region. Their importance varies substantially from one area of the region to another. In 1957 these dealers and local markets handled a volume equal to one-fourth of the slaughter cattle and calves, one-half of the slaughter hogs, and one-sixth of all the slaughter sheep and lambs sold by farmers in the North Central Region.

Dealers and local markets handled about equal volumes of slaughter hogs in the region as a whole; although dealers handled much larger volumes than local markets in Regions III, IV, and VIII and slightly larger volumes in Region VII. Local markets had much larger volumes than dealers in the eastern part of the Corn Belt, Areas I, II, V, and VI.

Local markets handled only one-fourth as many slaughter cattle and calves as dealers. The major part of the total slaughter cattle and calves reported by local markets was in Area VII where they handled about one-half as many as dealers.

Local markets handled about two-thirds as many slaughter sheep and lambs as dealers. Local markets handled larger volumes than dealers in eastern Corn Belt Areas (I, V, and VI). Area V, which accounted for approximately one-third of the total slaughter hogs handled by local markets, also accounted for almost 60 percent of the slaughter sheep and lambs handled by local markets. Although local markets were the most important market outlet for farmers selling slaughter hogs and pigs and second only to auctions for slaughter sheep and lambs in Area V, they handled only about 5 percent of the slaughter cattle and calves sold by farmers.

In general, in handling of slaughter cattle and calves dealers handled the largest percentage in the fringes of the Corn Belt particularly in Areas IV and IX and to a lesser extent in Areas VI and VIII. For slaughter hogs, dealers accounted for the major part of the slaughter hogs in Area VIII. In Area VII they accounted for one-third of the total volume of sales by farmers.

In handling of non-slaughter livestock, local markets played only a relatively minor role. Local markets handled less than one-fifth the volume of each species handled by dealers. Together these two types of marketing agencies accounted for almost three-fourths as many cattle and calves as were purchased by farmers, about one-half as many hogs and pigs and two-fifths as many sheep and lambs as were purchased by farmers.

Dealers were the most important marketing agency in terms of total volume of non-slaughter cattle and calves in Areas II, VI, and IX. However, they accounted for the larger part of the total volume in all areas of the region. The largest volumes of non-slaughter hogs and pigs handled by dealers were in Areas III, V, VI, and VII.

Sixty percent of the feeding and breeding sheep and lambs handled by dealers were in Area VIII. In that area they accounted for approximately three-fourths of the total volume of farmers' purchases. In other areas, volume handled by dealers was smaller than that handled by auctions and represented less than one-half of the total volume of the area. Local markets reported the largest volume in Area I where they accounted for the major part of the total sheep and lambs purchased by farmers. In other areas they played a very minor role in total movement of non-slaughter sheep and lambs.

*Source and Outlets for Livestock Handled  
by Dealers and Local Markets*

Both dealers and local markets obtained the major part of their total purchases directly from farmers. The percentage obtained directly from farmers generally was greater for local markets than for dealers. The percentage of livestock obtained by local markets from auction markets and other dealers and local markets was relatively small.

*Cattle:* The percentage of livestock obtained from farmers was higher for slaughter than for non-slaughter cattle and calves. For both slaughter and non-slaughter cattle and calves, dealers made intensive use of auction markets. In contrast, local market operators made very little use of auction markets. They obtained almost of all their slaughter cattle and calves from terminals. Total volume was small (Tables 3-6).

*Hogs:* Both dealers and local markets obtained the major part of their hogs and pigs from farmers. The percentage obtained directly from farmers was slightly higher for hogs and pigs than for cattle and calves. Dealers obtained a larger percentage of hogs and pigs from other marketing agencies than did local markets. Dealers obtained about the same percentage of both slaughter hogs and non-slaughter hogs from farmers but local markets obtained a much higher percentage of their slaughter than non-slaughter hogs from farmers. For non-slaughter hogs, local market operators went mainly to auction markets, other dealers and local markets and terminals (Tables 7-10).

*Sheep and Lambs:* Auctions were the major source of slaughter sheep and lambs purchased by dealers. Dealers obtained over one-half of their total volume of non-slaughter sheep and lambs directly from farmers, and a little over one-fourth at auctions. In contrast, local markets obtained over three-fourths of both classes directly from farmers (Tables 11-14).

The fixed nature of facilities and operations of local markets and the generally more mobile nature of dealer operations are evident in these procurement patterns. Local markets are concentrated in the feeding areas where they specialize in buying of slaughter livestock directly

**Table 1—Estimated Number of Slaughter Livestock Sold by Farmers and Number Handled by Each Type of Marketing Agency, by Area, North Central Region, 1957**

<b>Cattle &amp; Calves</b>											
Area	Terminals	Auctions	Dealers	Local Markets	Total Volume	Packers			Total Volume Marketing Agencies	Sales by Farmers	Net Inshipment
						Direct Purchases	Other Purchases	Total Volume			
(Thousands of Head)											
I	1,663	186	286	22	2,157	156	2,549	2,705	4,862	1,339	+ 1,366
II	4,231	313	226	40	4,810	290	3,158	3,448	8,258	1,591	+ 1,857
III	5,981	695	774	68	7,518	426	4,942	5,368	12,886	4,976	+ 392
IV	0	903	410	7	1,320	33	97	130	1,450	827	— 697
V	36	899	174	62	1,171	176	508	684	1,855	1,550	— 866
VI	18	343	163	90	614	30	38	68	682	647	— 579
VII	0	1,063	1,342	647	3,052	1,291	1,313	2,604	5,656	5,514	— 2,910
VIII	0	645	375	6	1,026	27	43	70	1,096	1,164	— 1,094
IX	0	31	99	14	144	34	29	63	207	178	— 115
<b>Region</b>	<b>11,929</b>	<b>5,078</b>	<b>3,849</b>	<b>956</b>	<b>21,812</b>	<b>2,463</b>	<b>12,677</b>	<b>15,140</b>	<b>36,952</b>	<b>17,786</b>	<b>— 2,646</b>
Lower Confidence Limit <sup>1</sup>	11,929	4,570	3,464	860	20,823	2,463	12,677	15,140	35,963	17,786	— 2,646
<b>Hogs and Pigs</b>											
Area	Terminals	Auctions	Dealers	Local Markets	Total Volume	Packers			Total Volume Marketing Agencies	Sales by Farmers	Net Inshipment
						Direct Purchases	Other Purchases	Total Volume			
(Thousands of Head)											
I	2,329	138	140	628	3,235	1,986	4,004	5,990	9,225	5,245	+ 745
II	6,873	627	806	1,663	9,969	2,760	7,164	9,924	19,893	5,920	+ 4,004
III	8,943	1,010	3,156	692	13,801	5,193	7,493	12,686	26,487	12,793	— 107
IV	0	801	175	49	1,025	84	210	294	1,319	1,222	— 928
V	287	1,191	1,522	5,012	8,012	1,355	1,381	2,736	10,748	5,852	— 3,116
VI	207	298	41	1,903	2,449	69	48	117	2,566	2,465	— 2,348
VII	0	172	7,879	5,275	13,326	10,486	1,941	12,427	25,753	19,516	— 7,089
VIII	0	1,044	1,476	16	2,536	23	70	93	2,629	1,258	— 1,165
IX	0	2	*	*	2	*	0	*	2	52	— 52
<b>Region</b>	<b>18,639</b>	<b>5,283</b>	<b>15,195</b>	<b>15,238</b>	<b>54,355</b>	<b>21,956</b>	<b>22,311</b>	<b>44,267</b>	<b>98,622</b>	<b>54,323</b>	<b>— 10,056</b>
Lower Confidence Limit <sup>1</sup>	18,639	4,755	13,675	13,714	50,783	21,956	22,311	44,267	95,050	54,323	— 10,056

\* Less than 500 head

**Sheep and Lambs**

Area	Terminals	Auctions	Dealers	Local Markets	Total Volume	Packers		Total Volume	Total Volume Marketing Agencies	Sales by Farmers	Net Inshipment
						Direct Purchases	Other Purchases				
(Thousands of Head)											
I	594	38	6	112	750	4	742	746	1,496	486	+ 260
II	779	86	20	1	886	91	717	808	1,694	511	+ 297
III	1,644	64	253	2	1,963	833	1,697	2,530	4,493	2,142	+ 388
IV	0	512	218	6	736	*	185	185	921	456	— 271
V	18	440	52	335	843	6	17	23	866	848	— 826
VI	2	109	11	16	138	*	1	1	139	166	— 165
VII	0	248	153	98	499	1,079	301	1,380	1,879	1,581	— 201
VIII	0	139	115	0	254	9	43	52	306	1,309	— 1,257
IX	0	1	*	0	1	0	0	0	1	40	— 40
<b>Region</b>	<b>3,037</b>	<b>1,637</b>	<b>826</b>	<b>570</b>	<b>6,070</b>	<b>2,022</b>	<b>3,703</b>	<b>5,725</b>	<b>11,795</b>	<b>7,540</b>	<b>— 1,815</b>
<b>Lower Confidence Limit<sup>1</sup></b>	<b>3,037</b>	<b>1,473</b>	<b>743</b>	<b>513</b>	<b>5,766</b>	<b>2,022</b>	<b>3,703</b>	<b>5,725</b>	<b>11,491</b>	<b>7,540</b>	<b>— 1,815</b>

\* Less than 500 head.

<sup>1</sup>These are the lower confidence limits at the 95 percent probability level. Since terminal markets and packers represent essentially a 100 percent sample, the sampling error is essentially zero. However, there may be some minute errors in accounting for and reporting volume. Farm sale and purchase data were adjusted by the use of 1959 Agricultural Census and are expected to have only negligible errors in total volume. However, the distribution between slaughter and non-slaughter and channels in marketing are based on a sample of 7,000 livestock producers.

**Table 2 — Estimated Number of Feeding, Breeding, and Dairy Livestock Bought and Sold by Farmers and Numbers Handled by Each Type of Marketing Agency, by Area, North Central Region, 1957**

Area	Terminals	Auctions	Dealers	Local Markets	Total Volumes	Farmer Purchases	Farmer Sales	Net In- Shipment
<b>Cattle and Calves</b>								
(Thousands of Head)								
I	155	248	324	163	890	673	241	+ 432
II	228	469	1,119	539	2,355	1,001	194	+ 807
III	2,640	2,518	1,082	15	6,255	1,900	1,832	+ 68
IV	0	414	323	3	740	447	285	+ 162
V	0	503	467	63	1,033	876	316	+ 560
VI	2	366	687	28	1,083	251	149	+ 102
VII	0	2,003	1,076	167	3,246	2,606	911	+ 1,695
VIII	0	2,789	1,733	66	4,588	1,245	3,143	— 1,898
IX	0	16	31	3	47	58	75	— 17
<b>Region</b>	<b>3,025</b>	<b>8,326</b>	<b>6,842</b>	<b>1,044</b>	<b>20,237</b>	<b>9,057</b>	<b>7,146</b>	<b>+ 1,911</b>
Lower Confidence Limit <sup>1</sup>	3,025	7,487	6,158	940	18,516	9,057	7,146	+ 1,911
<b>Hogs and Pigs</b>								
(Thousands of Head)								
I	19	397	174	92	682	376	358	+ 18
II	111	530	90	66	797	1,075	708	+ 367
III	7	1,426	664	57	2,154	1,676	2,090	— 414
IV	0	360	44	1	405	193	375	— 182
V	0	647	538	148	1,333	738	291	+ 447
VI	1	475	240	32	748	529	381	+ 148
VII	0	1,851	990	92	2,933	2,103	1,346	+ 757
VIII	0	504	164	0	668	340	396	— 56
IX	0	5	45	0	50	0	153	— 153
<b>Region</b>	<b>138</b>	<b>6,195</b>	<b>2,949</b>	<b>488</b>	<b>9,770</b>	<b>7,030</b>	<b>6,098</b>	<b>+ 932</b>
Lower Confidence Limit <sup>1</sup>	138	5,575	2,634	439	8,806	7,030	6,098	+ 932
<b>Sheep and Lambs</b>								
(Thousands of Head)								
I	87	82	78	145	392	199	32	+ 167
II	73	87	25	0	185	315	11	+ 304
III	1,191	184	120	2	1,497	611	229	+ 382
IV	0	94	36	1	131	183	72	+ 111
V	0	250	83	29	362	245	104	+ 141
VI	1	65	15	5	86	181	26	+ 155
VII	0	416	58	10	484	440	314	+ 126
VIII	0	542	613	0	1,155	811	713	+ 98
IX	0	0	4	0	6	12	32	— 20
<b>Region</b>	<b>1,352</b>	<b>1,722</b>	<b>1,032</b>	<b>192</b>	<b>4,298</b>	<b>2,997</b>	<b>1,533</b>	<b>+ 1,464</b>
Lower Confidence Limit <sup>1</sup>	1,352	1,550	929	173	4,004	2,997	1,533	+ 1,464

\* Less than 500 head.

<sup>1</sup>These are the lower confidence limits at 95 probability level. See footnote to Table 1.



from farmers. Where they handled non-slaughter livestock, they usually had to go long distances or through other marketing agencies. In contrast, the flexibility of methods employed by dealers permitted them to go directly to farmers in procurement of non-slaughter livestock, and make less use of other nearby marketing agencies.

In selling livestock, local markets generally sold a higher percentage of total volume directly to packers and to farmers than did dealers. Dealers made more use of other marketing agencies in disposing of livestock. For the North Central Region as a whole, percentages of slaughter livestock sold by dealers directly to packers were almost identical to the percentage of non-slaughter livestock sold directly to farmers (Tables 3-14).

**Table 3—Percentage of Slaughter Cattle and Calves Obtained by Livestock Dealers from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	21.8	65.0	.1	—	13.1	—	100
II	1.1	36.9	1.9	—	60.1	—	100
III	1.4	29.1	1.5	—	68.0	—	100
IV	*	73.6	.9	—	25.5	—	100
V	*	53.5	2.7	—	42.9	.9	100
VI	1.0	23.2	2.8	—	72.2	.8	100
VII	.5	26.8	.8	—	71.5	.4	100
VIII	4.7	54.9	11.4	—	29.0	*	100
IX	—	17.7	*	—	82.0	—	100
Region	2.6	38.7	2.1	—	56.4	.2	100
Outlets							
I	14.6	1.8	.3	81.0	—	2.3	100
II	60.5	17.6	7.5	9.1	5.3	—	100
III	27.0	3.8	1.0	66.1	.2	1.9	100
IV	23.1	21.0	1.1	46.4	1.2	7.2	100
V	16.5	30.3	2.9	37.5	—	12.8	100
VI	15.6	13.6	3.7	63.0	—	4.1	100
VII	7.5	1.3	.8	87.6	*	.2	100
VIII	26.7	12.8	3.7	42.9	13.7	.2	100
IX	2.8	1.1	18.1	76.7	—	1.3	100
Region	18.7	7.5	2.1	66.8	1.8	3.1	100

Dashes indicate none reported in sample.

\*Less than .05 percent.

**Table 4—Percentage of Slaughter Cattle and Calves Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	—	3.0	2.4	—	94.6	—	100
II	—	12.4	—	—	87.6	—	100
III	—	3.8	1.2	—	95.0	—	100
IV	—	8.0	1.2	—	90.8	—	100
V	—	8.8	.4	—	90.8	—	100
VI	36.0	30.2	1.1	—	32.7	—	100
VII	.1	.3	4.9	—	94.6	.1	100
VIII	—	—	—	—	100.0	—	100
IX	—	—	—	—	100.0	—	100
Region	20.0	3.8	3.0	—	73.1	.1	100
Outlets							
I	4.6	—	2.9	30.4	—	62.1	100
II	40.3	5.0	—	53.0	—	1.7	100
III	7.6	—	—	91.9	.5	—	100
IV	—	—	—	100.0	—	—	100
V	14.3	5.8	.2	79.3	.4	—	100
VI	21.5	1.3	—	70.8	—	6.4	100
VII	12.5	—	.5	83.6	.2	3.2	100
VIII	15.3	8.4	—	79.3	—	—	100
IX	—	—	—	100.0	—	—	100
Region	28.8	.7	.3	66.6	.1	3.5	100

Dashes indicate none reported in sample.

**Table 5—Percentage of Feeding, Breeding and Dairy Cattle and Calves Obtained by Livestock Dealers from Various Sources and Percentage Sold Through various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	27.2	32.0	1.9	—	35.8	3.1	100
II	2.8	4.0	6.5	—	80.1	6.6	100
III	6.2	33.8	2.9	—	45.6	11.5	100
IV	17.6	43.3	2.5	—	31.3	5.3	100
V	3.2	15.5	24.8	—	26.8	29.7	100
VI	—	7.5	1.3	—	20.7	70.5	100
VII	11.7	18.4	14.6	—	37.7	17.6	100
VIII	.2	40.9	1.7	—	57.0	.2	100
IX	—	6.2	2.5	—	91.3	—	100
Region	5.5	25.3	6.4	—	48.1	14.7	100
Outlets							
I	6.9	7.4	.1	6.0	79.6	*	100
II	1.7	1.0	.8	.2	93.5	2.8	100
III	8.2	18.8	.8	3.6	59.8	5.8	100
IV	4.2	35.3	6.8	2.5	49.8	1.4	100
V	.2	9.2	1.5	7.5	79.8	1.8	100
VI	.8	3.6	.2	11.3	82.7	1.4	100
VII	.7	16.8	1.4	2.1	60.9	18.1	100
VIII	4.7	9.5	4.3	15.9	60.7	4.9	100
IX	6.6	22.8	2.6	—	24.3	43.7	100
Region	3.6	11.3	2.6	7.3	69.2	6.0	100

Dashes indicate none reported in sample.

\*Less than .05 percent.

**Table 6—Percentage of Breeding, Feeder and Dairy Cattle and Calves Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	—	.4	50.2	—	40.9	8.5	100
II	88.3	2.7	1.8	—	7.2	—	100
III	—	2.7	6.9	—	90.4	—	100
IV	—	23.7	—	—	76.3	—	100
V	11.3	4.1	2.6	—	55.7	26.3	100
VI	17.7	7.8	26.7	—	43.9	3.9	100
VII	—	.3	1.9	—	84.3	13.5	100
VIII	—	13.2	—	—	86.8	—	100
IX	—	—	—	—	—	—	100
Region	46.2	2.9	10.0	—	35.4	5.5	100
Outlets							
I	—	—	—	.2	99.8	—	100
II	.1	.4	.2	.7	98.1	.5	100
III	1.2	1.8	8.5	—	67.2	21.3	100
IV	—	—	24.2	16.3	59.5	—	100
V	1.1	.9	—	46.0	51.2	.8	100
VI	.2	2.3	7.0	2.6	87.5	.4	100
VII	2.2	1.9	.3	4.7	81.7	9.2	100
VIII	—	—	9.2	—	54.2	36.6	100
IX	—	—	—	—	—	—	100
Region	.5	.7	1.1	4.7	88.7	4.3	100

Dashes indicate none reported in sample.

**Table 7—Percentage of Slaughter Hogs and Pigs Obtained by Livestock Dealers from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	7.2	69.8	.9	—	22.1	—	100
II	—	16.0	21.8	—	62.2	—	100
III	2.3	11.8	5.2	—	79.9	.8	100
IV	.3	93.5	2.8	—	3.4	—	100
V	54.8	25.9	.2	—	19.0	.1	100
VI	—	16.2	—	—	83.8	—	100
VII	—	1.9	4.5	—	93.5	.1	100
VIII	—	70.4	3.7	—	25.9	—	100
IX	—	—	—	—	100.0	—	100
Region	5.9	16.2	5.0	—	72.7	.2	100
Outlets							
I	21.5	10.0	.9	63.9	3.7	—	100
II	33.6	20.7	.2	43.0	1.0	1.5	100
III	1.8	.2	1.2	90.5	.1	6.2	100
IV	3.1	2.2	.3	93.5	.9	—	100
V	2.0	1.6	1.2	94.7	—	.5	100
VI	30.2	14.0	.9	54.9	—	—	100
VII	.6	—	19.3	68.6	3.3	8.2	100
VIII	2.1	.3	.4	92.6	4.4	.2	100
IX	37.0	—	—	63.0	—	—	100
Region	3.2	1.5	10.3	77.1	2.3	5.6	100

Dashes indicate none reported in sample.

**Table 8—Percentage of Slaughter Hogs and Pigs Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminals	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	—	—	1.6	—	98.4	—	100
II	2.2	1.4	12.4	—	84.3	—	100
III	—	2.0	6.8	—	91.2	—	100
IV	—	—	1.7	—	98.3	—	100
V	.4	9.7	1.8	—	88.1	—	100
VI	.1	29.4	.6	—	69.2	.7	100
VII	—	.2	.2	—	99.6	—	100
VIII	—	—	—	—	100.0	—	100
IX	—	—	—	—	100.0	—	100
Region	.4	7.3	2.4	—	89.8	.1	100
Outlets							
I	—	—	7.9	91.7	—	.4	100
II	.6	—	.4	98.6	.3	.1	100
III	2.4	—	—	94.7	—	2.9	100
IV	—	—	—	100.0	—	—	100
V	.3	—	1.4	98.2	—	.1	100
VI	.8	1.6	—	96.1	.4	1.1	100
VII	1.5	—	.7	97.1	—	.7	100
VIII	—	—	—	100.0	—	—	100
IX	—	—	—	100.0	—	—	100
Region	.9	.2	1.1	97.2	.1	.5	100

Dashes indicate none reported in sample

**Table 9—Percentage of Feeding and Breeding Hogs and Pigs Obtained by Livestock Dealers from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	3.5	15.6	5.7	—	53.7	21.5	100
II	—	28.6	.5	—	63.0	7.9	100
III	.7	21.0	.8	—	72.0	5.5	100
IV	—	30.8	2.4	—	66.8	—	100
V	—	9.5	.4	—	47.5	42.6	100
VI	—	7.5	27.9	—	64.6	—	100
VII	—	3.1	3.4	—	93.3	.2	100
VIII	.2	73.9	.2	—	25.7	—	100
IX	.8	—	7.1	—	92.1	—	100
Region	.3	12.8	4.1	—	74.1	8.7	100
Outlets							
I	10.4	4.0	.6	19.6	65.4	—	100
II	—	4.7	—	—	90.4	4.9	100
III	1.1	5.6	14.4	1.9	68.1	8.9	100
IV	.8	9.4	1.8	3.4	84.5	—	100
V	—	1.4	.3	8.8	89.4	.1	100
VI	.1	1.4	.1	5.8	56.7	35.9	100
VII	.1	.4	1.2	1.5	83.1	13.7	100
VIII	.5	15.1	2.7	2.6	79.1	—	100
IX	.5	—	—	—	89.3	10.2	100
Region	.8	2.7	3.4	.9	78.8	10.4	100

Dashes indicate none reported in sample.

**Table 10—Percentage of Breeding and Feeder Hogs and Pigs Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
<b>Source</b>							
I	—	—	.3	—	99.7	—	100
II	—	.6	12.8	—	86.6	—	100
III	—	—	18.9	—	25.9	55.2	100
IV	—	40.0	—	—	60.0	—	100
V	—	.8	7.4	—	91.8	—	100
VI	—	2.1	6.9	—	90.1	.9	100
VII	—	.1	—	—	99.0	.9	100
VIII	—	—	—	—	100.0	—	100
IX	—	—	—	—	—	—	100
Region	—	.5	6.4	—	87.0	6.1	100
<b>Outlets</b>							
I	—	—	6.1	41.1	45.7	7.1	100
II	.4	.2	—	23.1	76.3	—	100
III	.3	—	—	.1	33.8	65.8	100
IV	—	—	—	—	100.0	—	100
V	.4	2.8	—	85.5	11.3	—	100
VI	—	—	—	1.4	93.2	5.4	100
VII	.3	—	—	—	92.9	6.8	100
VIII	—	—	—	—	—	—	100
IX	—	—	—	—	—	—	100
Region	.3	.9	1.1	37.1	50.0	10.6	100

Dashes indicate none reported in sample.

**Table 11—Percentage of Slaughter Sheep and Lambs Obtained by Livestock Dealers from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
<b>Source</b>							
I	—	85.8	—	—	14.2	—	100
II	—	52.3	—	—	47.7	—	100
III	—	10.0	45.3	—	14.5	—	100
IV	—	95.3	*	—	4.7	—	100
V	—	46.1	—	—	53.9	—	100
VI	—	—	—	—	100.0	—	100
VII	—	42.9	.4	—	65.5	.2	100
VIII	6.0	35.1	*	—	58.9	—	100
IX	—	—	—	—	100.0	—	100
Region	10.4	46.2	14.9	—	28.5	*	100
<b>Outlets</b>							
I	8.0	1.2	13.1	77.7	—	—	100
II	37.8	3.6	—	18.1	.6	39.9	100
III	46.8	30.9	—	20.3	2.0	—	100
IV	—	18.6	—	81.3	.1	—	100
V	67.1	1.3	1.3	28.3	—	2.0	100
VI	9.5	1.1	—	65.2	24.2	—	100
VII	8.8	.2	3.0	84.5	2.6	.9	100
VIII	16.4	*	—	70.4	13.2	—	100
IX	33.3	—	—	66.7	—	—	100
Region	23.4	14.6	.7	56.7	3.3	1.3	100

Dashes indicate none reported in sample.

\*Less than .05 percent.

**Table 12—Percentage of Slaughter Sheep and Lambs Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	—	75.2	.4	—	24.4	—	100
II	—	2.7	—	—	97.3	—	100
III	—	16.7	33.0	—	50.0	—	100
IV	—	—	—	—	100.0	—	100
V	—	6.1	—	—	93.9	—	100
VI	—	—	—	—	100.0	—	100
VII	—	.1	5.0	—	94.9	—	100
VIII	—	—	—	—	—	—	100
IX	—	—	—	—	100.0	—	100
Region	—	16.5	.9	—	82.6	—	100
Outlets							
I	.5	—	.4	99.1	—	—	100
II	.7	—	—	99.3	—	—	100
III	3.3	—	—	63.4	33.3	—	100
IV	—	—	—	100.0	—	—	100
V	1.0	.8	—	98.1	—	.1	100
VI	4.0	.5	—	93.0	2.0	.5	100
VII	8.2	—	—	91.6	—	.2	100
VIII	—	—	—	—	—	—	100
IX	—	—	—	100.0	—	—	100
Region	2.0	.5	.1	97.1	.2	.1	100

Dashes indicate none reported in sample.

**Table 13—Percentage of Feeding and Breeding Sheep and Lambs Obtained by Live-stock Dealers from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	.3	30.8	—	—	29.1	39.8	100
II	—	21.5	—	—	78.5	—	100
III	—	28.5	*	—	40.5	31.0	100
IV	—	77.1	—	—	22.9	—	100
V	—	22.3	—	—	77.7	—	100
VI	—	—	—	—	100.0	—	100
VII	—	28.3	2.0	—	66.1	3.6	100
VIII	2.9	26.2	14.3	—	56.6	—	100
IX	4.0	—	—	—	96.0	—	100
Region	1.8	27.7	9.0	—	55.3	6.2	100
Outlets							
I	.8	9.4	.1	3.2	86.5	—	100
II	—	—	—	—	100.0	—	100
III	1.0	7.4	—	13.0	78.2	.4	100
IV	—	58.8	—	—	41.2	—	100
V	13.7	3.4	—	3.2	78.5	1.2	100
VI	.2	.2	—	28.2	71.4	—	100
VII	4.3	5.0	*	19.1	47.6	24.0	100
VIII	12.5	1.3	1.0	42.2	42.7	.3	100
IX	75.9	—	—	—	24.1	—	100
Region	9.2	4.9	.6	28.5	55.1	1.7	100

Dashes indicate none reported in sample.

\*Less than .05 percent.

**Table 14—Percentage of Breeding and Feeder Sheep and Lambs Obtained by Local Markets from Various Sources and Percentage Sold Through Various Outlets, by Area, North Central Region, 1957**

Area	Terminal	Auction	Dealers and Local Markets	Packers	Farmers	Others	Total
Source							
I	—	—	27.6	—	72.4	—	100
II	—	—	—	—	—	—	100
III	17.0	17.0	17.0	—	49.0	—	100
IV	—	—	—	—	100.0	—	100
V	8.9	.1	—	—	91.0	—	100
VI	—	1.2	—	—	69.5	29.3	100
VII	—	—	—	—	100.0	—	100
VIII	—	—	—	—	—	—	100
IX	—	—	—	—	—	—	100
Region	1.8	.2	20.1	—	77.2	.7	100
Outlets							
I	—	—	—	—	100.0	—	100
II	—	—	—	—	—	—	100
III	—	—	—	85.1	14.9	—	100
IV	—	—	—	—	100.0	—	100
V	2.1	5.6	1.2	33.3	57.3	—	100
VI	—	—	—	1.0	99.0	—	100
VII	—	—	—	72.8	9.0	18.2	100
VIII	—	—	—	—	—	—	100
IX	—	—	—	—	—	—	100
Region	.4	1.0	.3	10.6	86.8	.9	100

Dashes indicate none reported in sample.

## Chapter III

### METHODS OF OPERATIONS AND FACILITIES USED BY LIVESTOCK DEALERS AND LOCAL MARKETS

Dealers and local markets ranged in volume from only a few head to over 100,000 head per year. An interrelationship between market volume and methods of operation and facilities was anticipated. In order to determine the nature of the relationship, dealers and local markets were classified by size in three volume categories. The size categories were: (1) *small*, with 1 - 1,999 animal units; (2) *medium*, with 2,000 - 5,999 animal units; and (3) *large*, with 6,000 or more animal units handled per year.<sup>1</sup>

#### *Ownership*

For both dealers and local markets, the most common type of ownership was a single proprietorship. The single proprietorship was most common among smaller local markets particularly so for small dealer operations.

Partnerships were second in terms of frequency. The percentage which partnership made up of the total number was greater for the larger volume markets. Corporations and cooperatives were not common among dealers. Among local markets, corporations and cooperatives were most frequently found in the large volume category (Table 15).

Local markets generally are a newer form of marketing enterprise than the dealer type. This was reflected in the length of time in business of firms of the two different types. About one-half of the livestock dealers but only one-third of the local market operators in the study began operations prior to World War II, (Table 16). Very little relationship was found between market volume and length of time in operation.

<sup>1</sup>One animal unit equalled 1 head of cattle, 3 hogs, or 5 sheep and lambs

**Table 15—Percentage Distribution of Ownership of Dealers and Local Market Firms, by Market Volume**

Ownership	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
Corporation	1.8	3.9	4.7	6.5	10.8	11.4
Partnership	13.7	20.9	30.8	13.0	20.5	35.1
Single Owner	83.1	73.8	60.8	69.7	61.5	41.2
Cooperative	.7	0.0	1.9	4.3	7.2	12.3
No Indication	.7	1.4	1.8	6.5	0.0	0.0
Number Reporting	437	153	107	46	83	114

**Table 16—Percentage of Dealers and Local Market Operators in Business Various Number of Years, by Market Volume**

Years	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
1 - 4	12.4	7.8	9.3	15.2	9.6	18.4
5 - 9	11.4	11.8	13.1	10.9	26.5	15.8
10 - 19	29.2	26.8	27.1	43.4	28.9	34.2
20 - 29	22.0	27.5	24.3	19.6	16.9	18.4
30 - more	24.3	26.1	26.2	10.9	18.1	13.2
Number Reporting	437	153	107	46	83	114



### Activities of Owners and Managers

For both dealers and local market operators the percentage of time spent buying and selling livestock increased with volume of operations. However, within size categories there was very little difference between dealers and local market operators in the percentage of time spent buying and selling (Table 17).

**Table 17 — Percentage of Time Utilized by Dealers and Local Market Operators in Buying and Selling Livestock, by Market Volume**

Percent of Total Time	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
10% or less	18.1	.7	.9	6.5	1.2	.9
11 - 25	15.3	3.9	.9	15.2	7.2	3.5
26 - 50	26.1	19.6	13.1	36.9	14.5	2.6
51 - 75	8.5	17.0	12.1	10.9	8.4	9.6
76 - 100	29.0	56.2	69.2	26.1	66.3	79.8
No Indication	3.0	2.6	3.8	4.4	2.4	3.6
Number Reporting	43.7	15.3	10.7	4.6	8.3	11.4

Approximately 80 percent of the dealers had other occupational interests in addition to livestock dealing. Approximately 60 percent of the local market operators indicated they had occupational interests other than their local market operations. As volume increased the percentage of dealers and local market operators with other occupations declined. However, even in the large volume category over one-half of the operators had other occupations. Of the other occupational interests indicated by local market operators and dealers, "farming" was most common, "truckers" was second, and "auctioneer" third (Table 18). The majority of the farming operations reported by both dealers and local market operators exceeded 160 acres (Table 19). Many dealers and local market operators had more than one other occupational interest. In addition to farming, some were in the trucking business or had some other sideline from which they derived some income.

Three-fourths of the dealers and local markets operated no trucks for hire. Among the small dealers and local markets, the percentage with one truck was greater than the percentage with more than one truck. For the large market, the median number was two trucks (Table 20).

**Table 18 — Percentage of Dealers and Local Market Operators Reporting Other Occupations, by Market Volume**

Other Occupation	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	11.9	26.1	28.9		45.9	48.1
Yes, not indicated	10.3	16.3	9.3		6.0	8.8
Farmer	50.7	36.0	32.9	39.2	24.1	21.1
Trucker	5.9	2.0	8.4	6.5	9.6	8.8
Auctioneer	4.3	2.6	3.7	0	2.4	1.8
Auction operator	.7	2.0	2.8	0	0	0
Other L.S. Business	1.6	2.6	1.9	1.3	1.2	.9
Elevator, feed, or farm supply	.7	0	0	4.3	2.4	2.6
Other	11.4	7.8	12.1	13.0	8.4	7.0
No Response	2.5	4.6	0	0	0	.9
No. Reporting	437	153	107	46	83	114

**Table 19—Size of Farms Operated by Dealers and Local Markets by Market Volume**

Farm Size	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
No. farm	30.0	43.1	52.3	50.0	71.1	66.7
Less than 160 acres	30.4	20.3	13.1	21.7	12.0	10.5
160 acres or over	33.0	31.4	31.8	28.3	14.5	14.9
No Response	6.6	5.2	2.8	0	2.4	7.9
No. Reporting	437	153	107	46	83	114

**Table 20—Number of Trucks Operated by Dealers and Local Markets by Market Volume**

No. of Trucks	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
No. Response	7.3	7.2	4.7	6.9	2.2	2.4	7.0	4.5
0	72.1	77.6	77.6	74.1	86.9	77.1	75.3	78.3
1	14.2	8.5	2.8	11.2	6.5	4.8	.9	3.3
2	4.1	2.0	4.7	3.7	0	2.4	5.3	3.3
3	.9	2.6	3.7	1.7	2.2	6.0	1.8	3.3
4	.7	0	2.8	.9	0	0	2.6	1.2
5	.2	0	.9	.5	2.2	1.2	4.4	2.9
6	0	0	.9	.1	0	2.4	.9	1.2
7	0	.7	0	.1	0	0	.9	.4
8	0	.7	1.9	.4	0	1.2	0	.4
9 or more	.5	.7	0	.4	0	2.4	.9	1.2
No. Reporting	437	153	107	697	46	83	114	243

### *Purchasing Practices*

*Country Purchases:* Less than one-half of the dealers and local markets reported they purchased livestock in the country. Of those which did so, most purchased six to seven days of the week (Table 21).

*Yard Purchases:* The question was asked, how many days a week the operator bought at his own yards. Fifty-eight percent of the local market operators in the region said they bought at their yards 6 or 7 days a week. In contrast, only 10 percent of the dealers reported buying at their yards 6 or 7 days a week (Table 22).

*Weighing:* Most of the livestock purchased by both local markets and livestock dealers was weighed. A larger percentage of livestock dealers than local market operators purchased livestock without weighing. Eighty-five percent of the local markets used their own weighing facilities while only 15 percent of the livestock dealers used their own scales. Most livestock dealers utilized scales of other markets, elevators or railroad yards to weigh livestock. Ten percent of the dealers reported they used no scales. In many cases, a local market was run in conjunction with an auction, and the auction scales were used in weighing livestock the dealer had purchased (Table 23).

*Scales:* Nine percent of the dealers reported they had portable scales. No local markets reported using portable scales. Beam self-recording and beam hand-recorded scales were by far the most common types of scales used by livestock dealers and local market operators.

**Table 21 — Number of Days Per Week Dealers and Local Market Operators Purchased Livestock in the Country, by Market Volume**

No. of Days	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
0	10.1	10.5	9.3	10.0	21.7	20.5	11.4	16.5
1	2.5	0	.9	1.7	2.2	0	0	.4
2	3.9	.7	2.8	3.0	0	2.4	1.8	1.6
3	1.6	1.3	.9	1.4	4.3	0	.9	1.2
4	.9	0	.9	.7	2.2	0	1.8	1.2
5	3.9	4.6	6.5	4.4	0	3.6	.9	1.6
6 or 7	36.4	37.3	47.8	38.3	30.4	26.5	37.7	32.5
No Response	40.7	45.6	30.9	40.5	39.2	47.0	45.5	45.0
No. Reporting	437	153	107	697	46	83	114	243

**Table 22 — Number of Days Dealers and Local Market Operators Purchased Livestock at Their Own Yards, by Market Volume**

Number of Days per week	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
0	33.9	39.2	25.2	33.7	13.0	0	0	2.5
1	2.7	3.9	1.9	2.9	6.5	9.6	.9	4.9
2	1.6	1.3	1.9	1.6	8.7	1.2	7.9	5.8
3	0	0	.9	.1	2.2	1.2	.9	1.2
4	.5	.7	1.9	.7	0	0	1.8	.8
5	.5	2.6	8.4	2.2	6.5	12.0	21.1	15.2
6 or 7	5.3	13.1	24.3	9.9	43.5	64.0	58.6	57.7
No Response	55.5	39.2	35.5	48.9	19.6	12.0	8.8	11.9
No. Reporting	437	153	107	697	46	83	114	243

**Table 23 — Place where Livestock was Weighed, by Type of Market and Market Volume**

Place Weighed	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Not weighed	14.0	8.5	.9	10.8	6.5	1.2	0	1.6
Weighed at Farm	1.8	3.9	3.7	2.6	2.2	0	0	.4
Own Scales	7.1	22.9	37.6	15.2	63.1	90.4	90.3	85.4
Local Elevator	11.4	7.2	6.5	9.8	6.5	0	0	1.2
Auctions & other								
L.S. Markets	41.2	37.9	28.0	38.4	8.7	2.4	5.3	4.9
Other	10.8	15.0	16.8	12.6	6.5	6.0	4.4	5.3
No Response	14.4	5.3	6.5	11.2	5.5	0	0	1.2
No. Reporting	437	153	107	697	46	83	114	243

The majority of the scales used had a capacity of 5 tons or less. Few livestock dealers or local market operators had scales with a capacity over ten tons (Tables 24 and 25).

*Payment:* When livestock was purchased by either livestock dealers or local markets, payment almost always was made immediately. Only about 2 percent of the marketing agencies made payment the next day or at some later date (Table 26).

*Bonding:* The percentage of local market operators bonded was higher than the percentage of livestock dealers who were bonded. However, this was due mainly to the larger average volume of local markets. As volume increased the percentage of market operators who were bonded also increased. Within volume categories there was very little difference between dealers and local markets in percentages bonded (Table 27).

*Other Services:* A larger percentage of livestock dealers than local market operators bought on order for farmers. Sixty percent of the dealers in the region indicated they would buy on order compared with

**Table 24 — Type of Scales Owned by Dealers and Local Markets by Market Volume**

Scale Type	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Beam Self Recording	1.6	6.5	19.6	5.5	23.9	34.9	36.8	33.7
Beam Hand Recording	7.6	20.9	22.4	12.8	41.3	53.1	55.2	51.9
Dial Self Recording	.2	.7	1.9	.6	2.2	0.0	1.8	1.2
Dial Hand Recording	0.0	0.0	3.7	.6	0.0	0.0	.9	.4
Not Indicated	79.8	66.0	44.9	71.3	28.3	9.6	3.5	10.3
No Scales	10.8	5.9	7.5	9.2	4.3	2.4	1.8	2.5
No. Reporting	437	153	107	697	46	83	114	243

**Table 25 — Capacity of Scales used by Dealers and Local Markets, by Market Volume**

Scale Capacity	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
5 tons or less	4.6	18.3	25.2	10.8	34.8	68.8	53.6	55.1
6 - 10 tons	2.5	6.5	19.6	6.0	19.6	10.8	34.2	23.5
Over 10 tons	1.8	.6	.9	1.9	6.5	6.0	6.1	6.2
No Scales	6.6	3.9	4.7	5.7	2.2	2.4	0.0	1.2
No Response	84.5	68.0	49.6	75.5	36.9	12.0	6.1	14.0
No. Reporting	437	153	107	697	46	83	114	243

**Table 26 — Time Between Purchase and Payment for Livestock, by Market Volume**

Payment for Purchase	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Immediately	85.1	86.3	86.3	85.1	82.6	88.0	91.1	88.5
Same Day	11.2	8.5	8.5	10.6	13.0	12.0	5.3	9.1
Next Day	.2	2.6	2.6	.7	0.0	0.0	1.8	.8
Later	1.8	2.6	2.6	2.3	2.2	0.0	.9	.8
No Response	1.7	0.0	0.0	1.3	2.7	0.0	.9	.8
No. Reporting	437	153	107	697	46	83	114	243

**Table 27 — Percentage of Dealers and Local Market Operators Following Various Business Practices, by Market Volume**

Other Business Practices	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Buy on order from farmers	55.1	23.1	75.7	60.7	45.7	48.2	51.8	49.4
Appraise livestock for farmers	33.9	38.6	48.6	37.2	37.0	25.3	40.4	34.6
Require settlement, before L.S. is released	72.1	68.0	50.5	67.9	52.2	41.0	24.6	35.4
Check credit	45.8	54.2	58.9	49.6	58.7	47.0	54.4	52.7
Bonded	35.9	39.2	64.5	41.0	39.1	41.0	53.5	46.5
Go out and solicit business	48.7	60.1	58.9	52.8	54.3	65.1	71.1	65.8
No. Reporting	437	153	107	697	46	83	114	243

49 percent of the local market operators (Table 27). Thirty-seven percent of the livestock dealers indicated that one of the services they rendered to the farmer was appraisal of the farmer's livestock. Ordinarily, this was done by local market operators also. The percentage of dealers which appraised livestock for farmers increased with market volume. There appeared to be little relationship between volume and appraisal of livestock among local markets. Thirty-five percent of the local market operators indicated that they did this for the farmers.

Such business practices as requiring settlement before livestock is released and the checking of credit before livestock is released were common among both livestock dealers and local market operators (Table 27). A higher percentage of local market operators than dealers reported they went out to solicit business. However, dealers who bought most of their livestock by traveling about did not regard this as soliciting of business. Local market operators generally regarded this as solicitation of business.

*Other Buying Arrangements:* It was more common for local market operators to buy regularly for a packer or to have working agreements with packers for buying and selling livestock, but a higher percentage of dealers than local markets did order buying on commission (Table 28). The percentages of markets of both types who had a buying arrangement of one of these types was greater for the larger volume markets than for the smaller volume markets. The percentage of market agencies which had such arrangement correlated with market volume.

**Table 28—Percentage of Dealers and Local Markets Buying Regularly for any Particular Packer, having a Working Agreement, or Order Buying on Commission, by Market Volume**

Other Buying Arrangements	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Buy regularly for a packer	6.9	17.0	29.9	12.6	13.0	25.3	39.5	29.6
Have working agreements with packers	13.5	34.6	47.7	23.4	41.3	51.8	55.3	51.4
Do commission order buying	29.5	41.8	52.3	35.7	15.2	28.9	29.8	27.0
No. Reporting	437	153	107	697	46	83	114	243

#### *Sorting of Livestock*

Thirty-eight percent of the dealers in the region indicated that they sorted between 86 and 100 percent of the cattle they purchased before resale. Thirty percent indicated that no sorting whatsoever was done. Sixteen percent of the local market operators indicated that they sorted 86 to 100 percent of the cattle they bought before resale. Forty-eight percent indicated they did no sorting of cattle whatsoever (Table 29). It was far less common for either dealers or local market operators to sort calves than cattle. A larger percentage of the local markets sorted hogs than other species. But dealers sorted cattle more than the species. Forty-six percent of the local market operators reported they sorted 86 to 100 percent of their hogs before resale. The amount of sorting done was greater for the larger volume markets than for smaller markets.

**Table 29—Percentage of Various Classes of Livestock Sorted by Dealers and Local Market Operators, by Market Volume**

Percent Sorting	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
<b>CATTLE</b>								
0	32.7	26.8	20.6	29.6	56.6	49.5	43.8	48.2
1 - 20	5.7	5.2	9.3	6.2	2.2	4.8	2.6	3.3
21 - 40	1.4	3.3	0	1.6	0	0	.9	.4
41 - 60	6.6	7.2	6.5	6.7	4.3	0	1.8	1.6
61 - 85	3.4	5.2	4.7	4.0	0	3.6	.9	1.6
86 - 100	34.9	39.9	46.8	37.7	13.0	9.6	22.8	16.5
No Response	15.3	12.4	12.1	14.2	23.9	32.5	27.2	28.4
No. Reporting	437	153	107	697	46	83	114	243
<b>CALVES</b>								
0	47.4	38.7	41.0	44.6	58.8	53.1	42.8	49.5
1 - 20	2.7	2.6	4.7	3.0	0	2.4	1.8	1.6
21 - 40	.8	2.6	0	.9	0	0	.9	.4
41 - 60	3.4	5.8	1.9	3.7	0	0	.9	4
61 - 85	1.8	2.6	2.8	2.2	4.3	0	.9	1.2
86 - 100	21.5	24.8	34.6	24.2	6.5	9.6	16.7	12.3
No Response	22.4	22.9	15.0	21.4	30.4	34.9	36.0	34.6
No. Reporting	437	153	107	697	46	83	114	243
<b>HOGS</b>								
0	48.2	38.5	41.2	45.1	52.2	26.5	20.2	28.4
1 - 20	4.1	3.9	3.7	4.0	6.5	7.2	3.5	5.3
21 - 40	1.6	3.9	0	1.9	0	3.6	2.6	2.5
41 - 60	3.7	5.2	.9	3.6	0	1.2	6.1	3.3
61 - 85	1.4	.7	1.9	1.3	0	1.2	1.8	1.2
86 - 100	19.7	27.5	32.7	25.4	21.7	47.0	55.3	46.1
No Response	21.3	20.3	19.6	20.8	19.6	13.3	10.5	13.2
No. Reporting	437	153	107	697	46	83	114	243
<b>SHEEP</b>								
0	58.4	53.4	48.6	55.9	63.1	54.3	43.0	50.6
1 - 20	.2	.7	3.7	.9	0.0	1.2	3.5	2.1
21 - 40	.6	.7	0.0	.4	0.0	0.0	0.0	0.0
41 - 60	.2	3.3	2.8	1.3	0.0	0.0	1.8	.8
61 - 85	.6	.7	.9	.6	0.0	0.0	0.0	0.0
86 - 100	8.2	11.1	17.8	10.3	6.5	8.4	14.0	10.7
No Response	31.8	30.1	26.2	30.6	30.4	36.1	37.7	35.8
No. Reporting	437	153	107	697	46	83	114	243

Most often the owner or manager did the sorting. Three percent of the sorting by livestock dealers was actually done by professional sorters and one percent of the sorting at local markets was done by professional sorters. It was most common for the buyer of livestock from the local market or dealer to do his own sorting. At local markets often there was some employee who did sorting as one of his regular jobs. Many market operators indicated that the livestock were sorted before being purchased originally (Table 30).

*Physical Facilities, Market Volume and Men Employed*

Approximately one-fourth of both the livestock dealers and local market firms owned all of the facilities they used. Leasing all the facilities was second in terms of frequency. This was more common

**Table 30—Percentage of Dealers and Local Markets using Various Individuals to do Livestock Sorting, by Market Volume**

Sorter	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
None Sorted	2.7	2.0	0.0	2.2	0.0	1.2	1.8	1.2
Owners	46.7	59.4	57.9	51.2	30.4	43.4	49.9	44.1
Other Employee	3.2	4.6	4.7	3.7	2.2	14.5	20.2	14.8
Professional								
Sorter	2.1	3.9	2.8	2.6	2.2	2.4	0.0	1.2
Buyer	10.3	9.2	14.0	10.6	10.9	7.2	7.9	8.2
No Response	35.0	20.9	20.6	29.7	54.3	31.3	20.2	30.5
No. Reporting	437	153	107	697	46	83	114	243

among local markets than dealers. Other arrangements used were leasing land and owning the buildings, leasing part of the land and part of the buildings, and other combinations of owning and leasing (Table 31). Often if there was a farming operation, the livestock dealers' facilities were located on his farm. Local market facilities were more commonly specialized facilities such as stockyards which were used only as a market.

**Table 31—Ownership Status of Land and Buildings, by Type of Markets, by Market Volume**

Ownership of Land and Buildings	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
Own all	54.2	50.9	43.9	47.8	45.9	57.1
Lease all	7.3	13.1	16.8	23.9	36.1	28.9
Lease land,						
own building	.7	2.0	1.9	2.2	3.6	2.6
Other	11.7	15.7	15.0	6.5	10.8	8.8
No Response	26.1	18.3	22.4	19.6	3.6	2.6
Number Reporting	437	153	107	46	83	114

### *Land and Structures*

Most livestock dealers fell into one of two general groups. Either they had under a quarter of acre of land used in their operation or over five acres of land. Over 40 percent of the livestock dealers in the region reported using over five acres of land in their livestock operation. About 22 percent had a quarter of an acre or less. The large average size can be attributed to the fact that many regular farms were included in this figure. Eighteen percent of the local market operators reported having less than a quarter of an acre while approximately 45 percent reported having an acre or more. There were not very many dealers or local markets reporting between one quarter acre and one acre (Table 32).

Local markets in the region had more total pens and more total pen area than dealers (Tables 33 and 34). Local market operators averaged over twice as many covered pens as dealers (Table 35). The average square footage of covered pen space of local market operators was 5,700 square feet, while that of a livestock dealer was 2,500 square feet.

Livestock dealers generally used more pastures and more pasture area in their operations than did local markets (Table 36). The number of pastures used declined with increases in volume for both dealers and local markets.

*Volume of Markets*

The size of individual operations varied tremendously in the region both for livestock dealers and for local markets. For comparison, volume figures of each operation were transposed into animal units. One animal unit was set equal to one head of cattle, three hogs or five sheep (Table 37). Figure 3 shows the volume distribution of livestock dealers and local markets up to 10,000 animal units. Nearly one-half of the dealers reported having a volume of less than 1,000 animal units. By contrast, only 7.5 percent of the local market operators reported operations this small.

**Table 32 — Amount of Land Used by Dealers and Local Markets, by Market Volume**

Acres	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
0 - 1/4	23.0	20.9	22.4	21.8	13.2	12.3
1/4 - 1/2	2.7	3.3	5.6	8.7	18.1	11.4
1/2 - 3/4	.7	2.0	.9	0.0	7.2	6.1
3/4 - 1	2.1	3.9	2.8	8.7	10.8	13.2
1 - 5	6.2	13.2	8.4	21.7	30.2	26.3
Over 5	44.5	38.6	39.4	23.9	13.3	21.1
No Response	20.0	18.3	20.5	15.2	7.2	9.6
Number Reporting	437	153	107	46	83	114

**Table 33 — Percentage of Dealers and Local Markets using Various Numbers of Total Pens, by Market Volume**

Number of Pens	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	26.7	16.2	16.8	13.1	2.4	1.8
1	9.8	9.2	.9	4.3	1.3	2.6
2	8.2	9.2	.9	6.5	7.2	.9
3	8.2	9.2	1.9	4.3	4.8	3.5
4	6.4	3.3	6.5	10.9	8.4	3.5
5	4.3	8.5	3.7	2.2	15.7	5.3
6	3.0	10.5	7.5	8.7	8.4	4.4
7	.7	2.6	9.3	8.7	10.8	5.3
8	1.4	3.3	6.5	2.2	9.6	8.8
9	.7	0	4.7	4.3	2.4	2.6
10 - 19	6.4	8.5	19.0	23.9	23.1	35.8
20 - 29	.7	1.3	2.8		3.6	11.4
30 - 39	.2		3.7		0	3.5
40 - 49			.9		1.2	3.5
50 - 59		.7	.9		1.2	.9
60 - 69			0			.9
70 - 79			.9			.9
80 - 89						.9
90 - 99	.2	1.3				.9
No Response	23.1	6.2	13.1	10.9	0	2.6
Number Reporting	437	153	107	46	83	114



Table 34 — Percentage of Dealers and Local Markets using Various Numbers of Covered Pens, by Market Volume

Number of Pens	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	38.2	33.2	28.1	17.4	10.9	3.5
1	10.5	7.2	2.8	10.9	4.8	1.8
2	5.7	6.5	3.7	13.0	9.6	6.1
3	5.3	8.5	4.7	6.5	3.6	4.4
4	4.1	3.9	10.3	4.3	12.0	5.3
5	1.1	4.6	3.7	6.5	9.6	2.6
6	2.5	5.2	8.4	4.3	9.6	4.4
7	.2	1.3	.9	0	9.6	5.3
8	.9	3.3	5.6	0	6.0	13.2
9	.2	.7	2.8	2.2	1.2	1.8
10 - 19	2.7	5.2	4.7	19.7	17.1	28.7
20 - 29	.9	.7	5.6		3.6	8.8
30 - 39		.7	1.9		1.2	1.8
40 - 49			0			3.5
50 - 59			.9			2.6
60 - 69						.9
70 - 79						
80 - 89						
90 - 99			.9			
100 and over						.9
No Response	27.7	19.0	15.0	15.2	1.2	4.4
Number Reporting	437	153	107	46	83	114

Table 35 — Percentage of Dealers and Local Markets Having Various Footage of Pen Space, by Market Volume

Total Areas (Thousands of Sq. Ft.)	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	40.8	35.8	29.1	21.7	12.0	7.9
1	12.4	15.7	2.8	17.4	15.7	10.7
2	7.1	9.2	9.3	8.7	20.7	13.2
3	3.2	5.2	5.6	8.7	10.8	7.9
4	1.1	4.6	4.7	13.0	12.0	6.1
5	1.1	3.9	5.6	2.2	3.6	6.1
6	.5	2.0	4.7	0	4.8	6.1
7	.2	.7	3.7	0	1.2	7.0
8	.9	.7	0	2.2	3.6	7.0
9	.5	1.3	.9	0	1.2	4.4
10 - 19	1.8	1.3	8.4	4.3	9.6	9.6
20 - 29	.5		.9	0	1.2	2.6
30 - 39				2.2	1.2	2.6
40 - 49				2.2		.9
50 - 59						0
60 - 69						0
70 - 79						.9
80 - 89						0
90 - 99	.2		.9			0
100 and over						0
No Response	29.7	19.6	23.4	17.4	2.4	7.0
Number Reporting	437	153	107	46	83	114

There were three livestock dealers in the sample reporting volumes in excess of 40,000 animal units (Table 37). One reported a volume several times this large. The largest local market in the sample had a volume of 70,000 animal units. Local markets did not display the extremes in volume reported by livestock dealers (Table 37). Sixty-

**Table 36 — Percentage of Dealers and Local Market Operators using Various Numbers of Pastures, by Market Volume**

No. of Pastures Used	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
0	23.3	34.6	36.6	34.7	67.5	56.9
1	22.9	15.7	11.2	19.6	13.3	18.4
2	11.4	12.4	6.5	10.9	4.8	.9
3	6.4	8.5	6.5	2.2	6.0	4.4
4	3.7	3.3	2.8	2.2	0.0	1.8
5	2.3	4.6	2.8	0.0	0.0	0.0
6 or more	6.9	7.8	8.4	6.5	1.2	.9
No Response	23.1	13.1	25.2	23.9	7.2	16.7
Number Reporting	437	153	107	46	83	114

**Table 37 — Percentage of Dealers and Local Markets Reporting Various Volumes**

Volumes in Animal Units	DEALERS		LOCAL MARKETS	
	No	%	No	%
0 - 999	339	48.6	18	7.4
1,000 - 1,999	98	14.1	28	11.5
2,000 - 2,999	62	8.9	21	8.6
3,000 - 3,999	45	6.5	18	7.4
4,000 - 4,999	28	4.0	21	8.6
5,000 - 5,999	18	2.6	23	9.5
6,000 - 6,999	17	2.5	15	6.2
7,000 - 7,999	12	1.7	6	2.5
8,000 - 8,999	8	1.1	20	8.2
9,000 - 9,999	8	1.1	2	.9
10,000 - 19,999	40	5.7	49	20.2
20,000 - 29,999	12	1.7	13	5.3
30,000 - 39,999	7	1.0	5	2.1
40,000 - 49,999	1	.1	1	.4
50,000 and over	2	.2	3	1.2
Number Reporting	697		243	

three percent of the dealers and 19 percent of the local markets were classified as small volume operations (under 2,000 animal units).

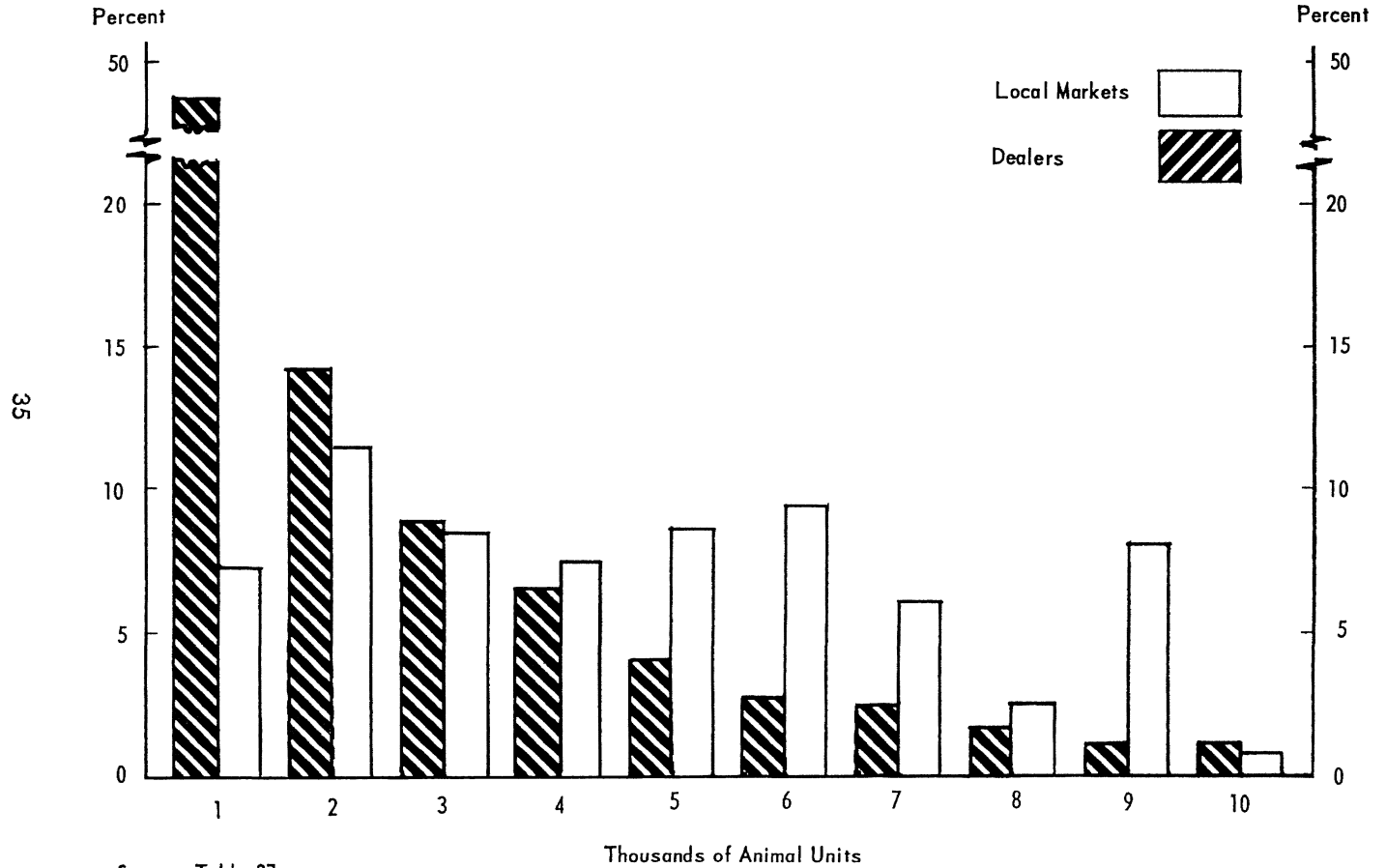
#### *Types of Livestock Handled*

In general, local markets concentrated mainly on handling slaughter livestock while dealers emphasized non-slaughter livestock. Almost all local markets handled hogs and often did not handle cattle while most dealers handled cattle but a large percentage did not handle hogs, particularly slaughter hogs. Very few dealers or local markets handled all three species of livestock. Over 90 percent of the dealers handled cattle, but only slightly over one-half of the local markets handled cattle. In contrast, 93 percent of the local markets handled hogs, but only 58 percent of the dealers handled hogs. Ninety-two percent of the local markets handled slaughter hogs, but only 38 percent of the dealers handled slaughter hogs. Only one-fourth of the dealers and local markets handled sheep (Table 38).

#### *Labor Requirements*

Labor is one of the major cost items in handling livestock. To evaluate costs and efficiency, labor inputs were related to volume and type of market. Labor was recorded in hours per week by type of job. Hours of labors were recorded for both owners and employees. No data were available on wage rates.

Fig. 3—Percentage Distribution of Livestock Dealers and Local Markets, by Volume



Source: Table 37

**Table 38 — Percentage of Dealers and Local Markets not Handling Various Classes of Livestock, by Market Volume**

Livestock Class	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
No Slaughter								
Cattle	31.6	28.8	32.7	31.1	54.3	55.4	50.9	53.1
No Cattle at all	7.6	11.1	15.0	9.5	34.8	53.0	45.6	46.1
No Slaughter								
Hog	68.2	56.2	46.7	62.3	26.1	2.4	4.3	7.8
No Hogs at all	44.6	37.9	36.4	41.9	23.9	2.4	3.4	7.0
No Slaughter								
Sheep	88.1	81.0	74.8	84.5	76.1	78.3	67.5	72.8
No Sheep at all	81.5	73.8	64.5	77.3	76.1	78.3	64.9	71.6
No. Reporting	437	153	107	697	46	83	114	243

The number of men employed by local markets and livestock dealers varied greatly (Table 39). Sixty-four percent of the *small* livestock dealers reported that they had no hired help, but only 35 percent of the *small* local markets indicated they hired no help. Sixteen percent of the small dealers had one employee, but 41 percent of the small local markets had one employee. There was very little difference between medium size dealers and medium size local markets in number of employees. The distribution of the number of employees also was quite similar for large dealers and large local markets. There were some extremely large operations among both livestock dealers and local markets that had nine or more hired men on the payroll (Table 39).

The total number of minutes of labor was divided by the total number of animal units per year to obtain the number of minutes of labor invested per animal unit for various sizes of dealers and local markets (Figure 4). This chart provides an index which may be used by marketing agencies in evaluating their comparative efficiency. These labor costs included truck drivers employed in hauling purchased livestock but not drivers used for commercial trucking operations. Neither were commission buyers' activities of dealers included with dealers' labor requirements.

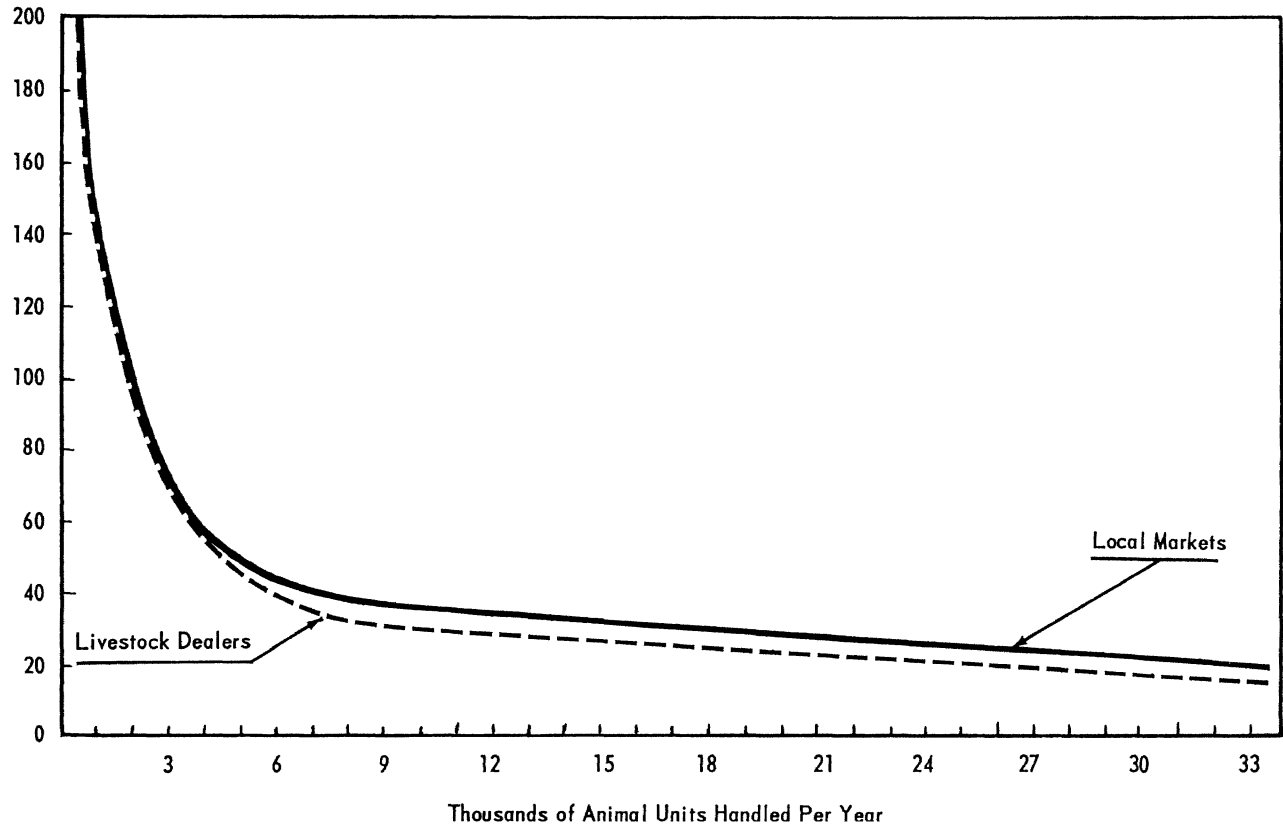
The major factor affecting the number of minutes used per animal unit was volume though classes of livestock handled also affected labor

**Table 39 — Percentage Distribution of Dealers and Local Markets by Number of Men Employed, by Market Volume**

Number	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	63.8	39.2	15.9	34.8	51.3	10.5
1	15.6	31.4	18.7	41.3	36.2	21.1
2	5.5	8.5	22.4	8.7	18.1	23.8
3	1.1	5.9	10.3	4.3	7.2	14.0
4	.5	0.0	6.5	2.2	1.2	9.6
5	0.0	1.3	5.6	0.0	0.0	3.5
6	0.0	0.0	1.9	0.0	0.0	.9
7	0.0	0.0	1.9	0.0	0.0	.9
8	0.0	0.0	0.0	0.0	0.0	2.6
9 or more	0.0	0.0	4.7	0.0	2.4	4.4
No Response	13.5	13.7	12.1	8.7	3.6	8.8
Number Reporting	437	153	107	46	83	114

Number of Minutes  
Per Animal Unit

Fig. 4—Average Number of Minutes of Labor Per Animal Unit by Size and Type of Market



requirements per animal unit. There were wide variations evident in the distribution of total livestock among classes of livestock. Some marketing agencies handled mostly slaughter livestock; others handled mostly non-slaughter livestock; some concentrated mainly on cattle; others concentrated on hogs or sheep (see preceding section). Animal units were weighted in so far as possible to reflect these differences. However, within classes, there were wide variations in the nature of operations which resulted in wide variations in average lot size and, consequently, labor requirements. The following relationships of volume and labor requirements are based on averages.

Number of minutes per animal unit averaged 204 for dealers having 1,000 animal units or less per year and 180 minutes for local markets having this size of operation. The average minutes per animal unit then declined as volume increased reaching 19 minutes of labor per animal unit for local markets with over 30,000 animal units per year, and 12 minutes for livestock dealers with over 30,000 animal units. Labor requirements were higher per animal unit for small dealers compared with small local markets, but labor requirements for the large dealers were less than for large local markets. Part of this difference was associated with the greater amount of yard work required by markets compared with dealers. Compared with local markets a much larger percentage of dealers operated in the small-volume high-labor-requirement area of the chart. The average number of minutes of labor per animal unit would have been higher for all livestock dealers combined than for all local markets combined if hours spent as commission buyers would have been included with the dealer labor requirement.

Small livestock dealers tended to pick up odd lots and also frequently combined their dealer operation with farming activities. This was a less frequent practice among local market operators. Among small dealers, apparently a considerable amount of traveling to auction markets and farms was done without much real intent of buying livestock. Thus the hours actually spent in traveling and locating livestock and selling livestock was a high percentage of the total hours spent on the dealers' operation.

The number of animal units handled by many of the dealers and local market operators was too small to be profitable. Even with relatively large margins the returns per hour of labor for the small dealers and small local market operators were almost negligible. For many of these operators it is doubtful if returns even covered out-of-pocket travel cost. A study of livestock dealers' costs and returns in Maine and Vermont showed a strong direct relationship between income and volume. The higher-income dealers had a substantially larger volume and generally lower costs per animal unit handled. Replacement livestock made up a larger percentage of the total for lower income dealers and slaughter livestock made up a smaller percentage of the total. Length of time livestock was held generally was longer for replacement stock than for slaughter livestock. Low-income dealers held every type of livestock longer than high-income dealers.<sup>2</sup>

<sup>2</sup>Tuthill, D. F., Tompkins, Enoch, H., "An Analysis of Livestock Dealers' Operations in Maine and Vermont," Maine Agricultural Experiment Station, Bulletin 598, April 1961, pp. 24-26

Among the medium and large operations, the labor requirement per animal unit declined very rapidly and then started to level off above 4,000 or 5,000 animal units per year. This would be equivalent to volumes above 4,000 or 5,000 head of cattle, 12,000 to 15,000 hogs, or 20,000 - 25,000 sheep and lambs, or some combination thereof. Labor continued to decline as volume increased beyond this level.

Within volume groups there were large variations in labor requirements per animal unit handled. This wide variation, coupled with the rapid decline in average labor requirement as volume moved upward, raises the question of whether (1) volume is larger because a highly efficient operator controls costs closely or whether (2) large volume brings lower costs. Certainly going from the very small to medium and large volumes provides substantial opportunities for labor economies but, beyond the middle range, management efficiency appears to be the major factor. Low labor costs of some middle range operators demonstrate that real efficiency can be achieved with relatively small volume. Some large volume markets had very high labor costs.

Some differences were found in labor requirements for different classes of livestock. Labor requirements in the handling of feeding, breeding, and dairy livestock usually were higher than for slaughter livestock. Part of this was due to greater variation in quality, larger number of classes, smaller size lots, and partly because the marketing agencies faced both decentralized purchases and decentralized sales in working with non-slaughter livestock. Longer average holding times for non-slaughter livestock was also a factor. Labor requirements per animal unit were particularly high for operations specializing in livestock for breeding or dairy use. Labor requirements were high also in handling discarded dairy stock for slaughter use.<sup>3</sup>

#### *Feeding Operations of Livestock*

##### *Dealers and Local Markets*

Most livestock dealers and local market operators did not feed out livestock. Only one-fifth of the dealers in the region indicated they fed cattle and one-fifth indicated they fed out hogs. Only about one-tenth of the local markets fed out cattle and about one-fifth fed out hogs. The percentage of dealers and local markets feeding out sheep was much smaller. Most of the dealers who fed out livestock fed out less than 300 head of any class. However, there were a few who fed out over 300 head per year, (Table 40).

The majority of livestock dealers and local market operators sold livestock they had purchased within two weeks. Yet, for various reasons, some livestock was held over two weeks before being resold. The percentage held more than two weeks before resale was greater for feeding and dairy cattle than other classes. This was true for both dealer and local market operations. Feeding and breeding hogs and sheep were usually held longer by the dealers or local market operators than were slaughter livestock. Some of the feeding and breeding livestock was withheld from sale in order to find better outlets, to take advantage of price fluctuations, or to utilize feed that happened to be available to the livestock dealer or local market operator at the time.

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<sup>3</sup>Similar results were found by Tuthill and Tompkins, op. cit. pages 24-26

**Table 40—Percentage of Dealers and Local Markets Feeding out Various Numbers of Head of Livestock, by Market Volume**

Number	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
<b>CATTLE</b>						
No Response	21.3	14.4	15.0	28.3	4.8	8.8
None	57.7	62.7	61.6	63.0	82.0	80.7
1 - 299	19.2	17.6	13.1	8.7	12.0	6.1
300 - 999	1.6	3.3	5.6	0.0	1.2	3.5
1,000 - 4,999	.2	1.3	4.7	0.0	0.0	.9
Over 5,000	0.0	.7	0.0	0.0	0.0	0.0
Number Reporting	437	153	107	46	83	114
<b>HOGS</b>						
No Response	19.5	15.7	18.7	28.3	6.0	8.8
None	59.7	63.3	62.7	52.1	71.1	74.6
1 - 299	17.8	17.0	11.2	17.4	14.5	6.1
300 - 999	2.3	3.3	6.5	2.2	6.0	7.0
1,000 - 4,999	.5	.7	.9	0.0	0.0	3.5
Over 5,000	.2	0.0	0.0	0.0	2.4	0.0
Number Reporting	437	153	107	46	83	114
<b>SHEEP</b>						
No Response	25.9	19.6	16.8	30.4	7.2	9.7
None	70.6	77.7	72.0	69.6	89.2	85.9
1 - 299	2.3	2.0	2.8	0.0	2.4	1.8
300 - 999	.7	.7	2.8	0.0	0.0	2.6
1,000 - 4,999	.5	0.0	4.7	0.0	1.2	0.0
Over 5,000	0.0	0.0	.9	0.0	0.0	0.0
Number Reporting	437	153	107	46	83	114

#### *Other Business Practices*

Livestock dealers and local market operators used several different techniques to solicit business. By far the most common method used by both types of agencies was personal contact with livestock producers. Other methods used to solicit business were telephone, mail, and newspaper advertising. A combination of these different techniques in soliciting business was used by many dealers and local market operators (Table 41).

When livestock dealers were asked whether or not they furnished price quotations at their market, 54 percent indicated that they did not provide this service to the customers. Of those dealers who did furnish price quotations, telephone was the most common single medium employed. Fifteen percent of the dealers employed more than one technique to disseminate prices at their market. Only five percent of the local market operators in the region said they did not furnish the price quotations at their market. Twenty-one percent of the local market operators in the region used only the telephone to disseminate price information, apparently upon request, and fifty-one percent used a combination of methods (Table 42).

When asked whether or not price quotations were furnished for other markets as well as their own, only 7 percent of the dealers in the region indicated that this service was rendered. In contrast, 24 percent of the local markets provided information on prices at other markets. Usually the telephone was used for this purpose, (Table 43).



**Table 41 — Percentage of Dealers and Local Market Operators using Various Methods to Solicit Business, by Market Volume**

Soliciting Method	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
Personal Contact	34.8	41.1	29.0	26.1	26.5	35.0
Telephone	.7	1.3	0.0	4.3	1.2	1.8
Mail	.5	0.0	0.0	0.0	.2	1.8
Advertising	1.8	2.6	5.6	4.3	7.2	3.5
Other	3.0	2.0	.9	4.3	3.6	1.8
Combination	6.4	12.4	21.5	15.2	23.7	1.8
Doesn't Solicit	51.2	39.9	41.2	45.8	35.0	28.9
No Response	1.6	.7	1.8	0.0	3.6	3.5
No. Reporting	437	153	107	46	83	114

**Table 42 — Percentage of Dealers and Local Markets using Various Means of Giving Their Own Market Price Quotations, by Size of Market**

Price Quotation Method	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Circular Letter	0.0	1.3	.9	.4	0.0	0.0	0.0	0.0
Radio	1.1	1.3	.9	1.1	4.3	0.0	2.6	2.1
Telephone	4.1	11.1	18.7	7.9	15.2	20.5	24.6	21.4
Newspaper	.7	0.0	.9	.6	0.0	2.4	.9	1.2
Posted at yard	.2	3.3	.9	1.0	2.2	2.4	7.0	4.5
Combination	10.8	15.7	32.9	15.2	45.7	54.2	49.9	50.7
Other	1.8	2.0	1.9	1.9	0.0	2.4	1.8	1.6
Not Furnished	61.9	48.3	30.8	54.1	21.7	11.2	1.8	5.3
No Response	19.4	17.0	12.1	17.8	10.9	16.9	11.4	13.2
No Reporting	437	153	107	697	46	83	114	243

**Table 43 — Percentage Distribution of Methods of Furnishing Price Quotations on Other Markets by Dealers and Local Markets, by Market Volume**

Price Quotation Method	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Circular Letter	.2	0	1.9	.4	0	3.6	0	1.2
Radio & T.V.	.2	.7	0	.3	0	1.2	0	.4
Telephone	1.6	6.5	8.4	3.7	2.2	9.6	19.3	12.8
Posted at Yards	.2	0	0	.1	0	4.8	4.4	3.7
Combination	.7	1.9	2.8	1.3	2.2	4.8	4.4	4.1
Other	1.1	1.3	0	1.0	0	0	4.4	2.1
Not Furnished	70.0	62.9	53.2	65.9	71.7	27.7	33.3	38.7
Not Indicated	25.9	26.7	33.7	27.3	23.9	48.3	34.2	37.0
No. Reporting	437	153	107	697	46	83	114	243

### *Competing Marketing Agencies*

Livestock dealers had an average of 12 other marketing agencies competing for the livestock in the trade area. Within the dealer's trade area there was an average of three auctions, one local market, six other dealers, one packer buying direct and one terminal. The farmer survey conducted in an earlier phase of this project showed a similar wide variety of outlets available to most farmers. While the large number of marketing agencies provides this variety for farmers, it can be costly in terms of duplication and under utilization of market facilities. The majority of the dealers and local markets surveyed here operated at volumes much below what would be needed to achieve efficient use of their facilities and labor. As a result, profits often were low, or non-existent, and competition for available livestock was strong in most areas.

**Table 44 — Percentage of Dealers and Local Markets using Various Methods to Meet Competition, by Market Volume**

Competitive Technique	DEALERS				LOCAL MARKETS			
	Small	Medium	Large	Total	Small	Medium	Large	Total
Higher Price	22.2	19.6	31.8	23.1	15.2	18.1	18.4	17.7
Honest-Reliable	6.4	5.2	8.4	6.5	6.5	6.0	4.4	5.3
Personal Contact	2.5	3.9	0	2.4	2.2	1.2	1.8	1.6
Lower Costs	.7	1.3	.9	.9	0	1.2	4.4	2.5
Extra Services	3.9	3.9	3.7	3.9	8.7	6.0	8.8	7.8
Aggressive Salesman	1.6	19.6	3.7	5.9	2.2	0	1.8	1.2
Other	40.5	1.3	20.6	28.7	23.9	19.3	20.2	20.6
No Response	22.2	45.2	30.9	28.6	41.3	48.2	40.2	43.3
No. Reporting	437	153	107	697	46	83	114	243

Local market operators in the region indicated that on the average their competition consisted of three auctions, three other local markets, three dealers, one packer buying direct, and one terminal. Livestock dealers and local market operators were asked what techniques they used to meet competition. The answer given by most local market operators and livestock dealers was that they paid higher prices for the livestock they purchased than could be obtained elsewhere (Table 44). Most dealers and local market operators indicated that honesty and reliability were important in meeting competition. A large number of the livestock dealers said they did nothing specifically to meet competition.

#### *Hauling*

Dealers owned trucks more frequently than did local markets. For both types of operations the percentage owning trucks was higher for smaller than for the larger volume markets. In general, if a livestock dealer had a truck, he usually had only one or possibly two. The percentage of local market operators with three or more trucks was higher than the percentage of dealers with three or more trucks. The type of truck indicated in multiple truck operations usually included at least one semi-trailer (Table 45).

Only about 10 percent of the dealers and 14 percent of the local market operators indicated they leased trucks full time. The number of trucks leased increased with market volume (Table 46).

**Table 45 — Number of Trucks Owned by Dealers and Local Market Operators, by Market Volume**

Number of Trucks	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
0	14.0	27.5	29.0	28.3	44.7	35.8
1	63.2	41.5	29.0	34.7	28.9	14.0
2	14.2	19.0	11.2	19.6	10.8	12.3
3	3.9	5.9	11.2	10.9	8.4	15.8
4	.7	2.0	7.4	4.3	1.2	8.8
5	.2	.7	1.9	2.2	1.2	5.3
6	0.0	0.0	1.9	0.0	0.0	3.5
7	0.0	.7	.9	0.0	0.0	1.8
8	.2	0.0	1.9	0.0	1.2	.9
9 or more	.2	.7	0.0	0.0	2.4	.9
No Response	2.5	2.0	5.6	0.0	1.2	.9
Number Reporting	437	153	107	46	83	114

**Table 46—Number of Trucks Leased by Dealers and Local Market Operators, by Market Volume**

Number of Trucks	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
0	58.9	58.7	59.1	73.9	68.7	60.4
1	5.0	5.9	.9	0.0	7.2	5.3
2	1.1	3.3	5.6	0.0	4.8	1.8
3	.5	2.0	.9	0.0	2.4	3.5
4	0.0	0.0	0.0	0.0	1.2	.9
5	0.0	1.3	.9	0.0	0.0	1.8
6	0.0	0.0	.9	0.0	0.0	2.6
7	.2	0.0	.9	0.0	0.0	1.8
8	0.0	0.0	0.0	0.0	0.0	0.0
No Response	34.3	28.8	30.8	26.1	15.7	21.9
Number Reporting	437	153	107	46	83	114

Livestock dealers hauled a larger percentage of their livestock in their own trucks than did local market operators. Local market operators made more use of leased trucks than did dealers.

For both types of markets, the percentage of livestock hauled in owned trucks was greater for small than large volume operations. The percentage hauled in leased trucks increased slightly as volume increased. The large markets made more use of contract haulers (Tables 47 and 48).

**Table 47—Percentage of Livestock Hauled by Owned Trucks by Type of Market, by Market Volume**

Percent Hauled	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	16.5	29.4	50.0	30.4	47.1	33.3
1 - 10	3.7	4.6	8.4	4.3	1.8	4.4
11 - 20	1.0	.7	1.9	2.2	1.2	2.6
21 - 30	2.5	.7	2.8	0	0	.9
31 - 40	1.0	.7	1.9	0	1.2	0
41 - 50	5.5	7.8	8.4	8.7	2.4	4.4
51 - 60	1.6	0	.9	2.2	1.2	.9
61 - 70	1.1	2.0	3.7	0	4.8	0
71 - 80	5.0	5.9	5.6	10.9	4.8	6.1
81 - 100	54.1	43.6	28.0	32.6	25.3	38.6
No Response	8.0	4.6	8.4	8.7	7.2	8.8
No. Reporting	437	153	107	46	83	114

**Table 48—Percentage of Livestock Hauled by Trucks Leased Full-Time by Type of Market, by Market Volume**

Percent Hauled	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
None	55.3	57.5	54.3	67.4	61.4	50.9
1 - 10	3.2	3.3	1.9	0	0	.9
11 - 20	1.8	1.3	.9	2.2	0	1.3
21 - 30	.7	1.3	.9	0	3.6	0
31 - 40	.7	0	0	0	0	0
41 - 50	1.4	3.9	3.7	4.3	2.4	.9
51 - 60	0	0	0	0	0	0
61 - 70	.7	0	0	0	1.2	0
71 - 80	0	.7	0	0	0	2.6
81 - 100	5.5	7.2	6.5	0	13.3	14.0
No Response	30.7	24.8	31.8	26.1	18.1	28.9
No. Reporting	437	153	107	46	83	114

**Table 49—Percentage of Dealers and Local Market Operators Back-Hauling Various Commodities, by Market Volume**

Backhaul Cargo	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
Empty	56.1	53.5	65.2	67.2	66.3	60.5
Other Livestock	5.7	7.2	4.7	2.2	7.2	2.6
Feed and Grain	.5	2.0	.9	2.2	2.4	2.6
Machinery	.2	.7	0.0	0.0	1.2	0.0
Other Freight	.5	0.0	1.9	2.2	0.0	3.5
Other Agri. Product	.7	1.3	3.7	2.2	0.0	2.6
Combination	1.8	3.9	0.0	2.2	1.2	1.8
Other	2.5	3.3	1.9	2.2	1.2	1.8
No Response	32.0	28.1	32.7	19.6	20.5	24.6
No. Reporting	437	153	107	46	83	114

The amount of back-hauling reported by livestock dealers and local markets in the region was very small. Slightly under 15 percent of both dealers and local market operators reported doing any back-hauling. Livestock was the most frequent back-haul of dealers or local market operators who reported. Some back-hauled feed and grain, other agricultural products, machinery, other freight, or a combination of these (Table 49). Only those livestock dealers or local markets that were in the trucking business in a large way and made regular runs to and from various destinations did much back-hauling. Distance involved and type of truck being used to haul the livestock usually determined the profitability of back-hauling various cargoes.

*Selling of Slaughtered Livestock on a Carcass Weight, Yield or Grade Basis*

The selling of slaughter livestock on a carcass weight, yield or grade basis by livestock dealers or local market operators is not a common practice in the North Central Region (Table 50). Only about 10 percent of the livestock dealers and local markets indicated that they sold any cattle on this basis. Only about one-half of these selling in this manner indicated they sold over three-fourths of their slaughter cattle in this way.

The percentage of dealers and local markets selling hogs on carcass weight and grade differed very little from the percentage selling cattle in this way. This method of sale was higher for larger than for smaller markets. Percentage of markets selling calves or sheep on carcass weight and yield was even less than for hogs and cattle, and only one to five percent of all dealers and local markets responded that they sold calves in this way.

**Table 50—Percentage of Livestock Sold for Slaughter by Carcass Weight Yield or Grade, by Market Volume**

Percent Sold	DEALERS			LOCAL MARKETS		
	Small	Medium	Large	Small	Medium	Large
<b>CATTLE</b>						
None	81.1	77.7	67.4	78.2	78.4	66.6
1 - 9	1.8	5.2	2.8	2.2	2.4	3.5
10 - 25	1.8	.7	2.8	0.0	0.0	.9
26 - 50	1.8	.7	3.7	0.0	0.0	1.8
51 - 75	0.0	0.0	3.7	0.0	0.0	0.0
76 - 100	3.4	5.2	5.6	0.0	7.2	7.0
No Response	10.1	10.5	14.0	19.6	12.0	20.2
No. Reporting	437	153	107	46	83	114
<b>CALVES</b>						
None	85.8	83.0	77.6	78.3	83.2	70.1
1 - 9	.5	.7	1.9	0.0	0.0	0.0
10 - 25	.2	0.0	0.0	0.0	0.0	1.8
26 - 50	0.0	0.0	0.0	0.0	0.0	0.0
51 - 75	.2	0.0	.9	0.0	0.0	0.0
76 - 100	1.4	1.3	6.5	0.0	6.0	5.3
No Response	11.9	15.0	13.1	21.7	10.8	22.8
No. Reporting	437	153	107	46	83	114
<b>HOGS</b>						
None	86.2	82.3	73.9	73.9	79.6	65.7
1 - 9	.5	0.0	.9	0.0	4.8	8.8
10 - 25	.5	2.6	.9	4.3	2.4	3.5
26 - 50	0.0	0.0	.9	2.2	1.2	4.4
51 - 75	0.0	0.0	1.9	0.0	0.0	1.8
76 - 100	1.1	2.0	3.7	2.2	6.0	5.3
No Response	11.7	13.1	17.8	17.4	6.0	10.5
No. Reporting	437	153	107	46	83	114
<b>SHEEP AND LAMBS</b>						
None	85.1	84.3	72.0	78.3	83.1	72.8
1 - 9	0.0	0.0	.9	0.0	0.0	.9
10 - 25	0.0	0.0	1.9	0.0	0.0	0.0
26 - 50	0.0	0.0	.9	0.0	0.0	0.0
51 - 75	0.0	0.0	.9	0.0	0.0	0.0
76 - 100	.9	.7	4.7	0.0	3.6	2.6
No Response	14.0	15.0	18.7	21.7	13.3	23.7
No. Reporting	437	153	107	46	83	114