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Business in Nebraska #294 - March 1969

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Switzer, Dorothy; Busboom, R. L.; and Wallace, E. S., "Business in Nebraska #294 - March 1969" (1969).
Business in Nebraska. 53.

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business in nebraska

University of Nebraska News Vol. 48 Number 294, March 1969 No. 21

PREPARED BY THE BUREAU OF BUSINESS RESEARCH, COLLEGE OF BUSINESS ADMINISTRATION

EXTENT OF CORPORATION FARMING IN NEBRASKA

Concern has been expressed in many quarters over the apparent increase in the number of nonfarm corporations that are buying land and initiating new farming enterprises in Nebraska. It has become important, therefore, to know the facts about the number of these corporations and the amount of farm land they are operating in the state. This information has recently been made available because Nebraska is one of 22 states included in a preliminary report summarizing a survey of corporate farming.

Because few data have been accessible by which to judge the extent of the trend toward nonfamily corporate farming and the possible impact on the socio-economics of local business communities and on market prices of farm products, the Secretary of Agriculture directed his department's Economic Research Service to conduct a survey early in 1968 to determine the number, kinds, and general characteristics of corporations that were directly involved in the production of farm products.

After a pilot study and follow-up interviews, an effective technique was devised to secure the desired information by using the county Agricultural Stabilization and Conservation Service (ASCS) offices as the primary source of data. Managers of county ASCS offices were given detailed instructions for identifying corporations and were asked to utilize state and county sources of information, as well as local offices of other Federal agencies.

Classification of Farm Corporations

Only those corporations that were directly engaged in production of one or more agricultural commodities were included in the survey. Thus corporations owning land but renting it out to others under cash or share rental arrangements were excluded. Agricultural commodities were broadly defined, the only types of operations specifically excluded being forestry operations, Christmas tree "farms," hunting and fishing clubs, and farms and ranches operated strictly as recreational enterprises.

The survey took into consideration only farms classified as commercial, that is, farms having gross sales of \$2,500 or more. Estimates for 1968 sales were projected from the 1964 Census of Agriculture. Corporations were classified as to three types: "family," "individual" (in which ownership and control rested chiefly in one person), and "other" or nonfamily corporations. When a corporation had more than one operating unit within a county, all separate operations were combined for that firm. Thus the survey provided an inventory of county units of operations rather than a count of separate farms or ranches or of business firms. Therefore, the actual number of corporations is somewhat less than shown in the accompanying tables, but the number of farms is somewhat greater. It should be noted also that although the survey design called for complete enumeration, the researchers con-

TABLE I
NUMBER OF FARMS & ACRES OPERATED BY CORPORATIONS HAVING AGRICULTURAL OPERATIONS AS PERCENTAGES OF ALL COMMERCIAL FARMS.
22 STATES, 1968

State and Region	All Commercial Farms ¹		All Corporations ²		Corporations As a Percentage of Commercial Farms	
	Number of Farms	Land in (1,000 Acres)	Number of Farms	Land in (1,000 Acres)	Number of Farms	Land in Farms
22 States	963,300	585,900	6,703	40,223	0.70	6.87
Northern Plains States	203,500	173,600	861	3,784	0.42	2.18
Nebraska	62,000	46,200	467	1,886	0.75	4.08
North Dakota	39,500	39,650	29	61	0.07	0.15
South Dakota	40,000	40,950	237	1,600	0.59	3.91
Kansas	62,000	46,800	128	237	0.21	0.51
Corn Belt States	417,800	114,050	1,377	1,258	0.33	1.10
Ohio	62,500	13,500	266	197	0.43	1.46
Indiana	62,500	15,350	315	228	0.50	1.49
Illinois	98,000	28,400	246	247	0.25	0.87
Iowa	122,800	32,500	288	240	0.23	0.74
Missouri	72,000	24,300	262	346	0.36	1.42

TABLE II
CORPORATIONS HAVING AGRICULTURAL OPERATIONS, NUMBER AND PERCENTAGE DISTRIBUTION, BY TYPE, 22 STATES, 1968

State and Region	Corporations Having Agricultural Operations Type of Corporation					Percentage Distribution ³		
	Individual Number	Family Number	Other Number	Unclassified Number	Total Number	Individual	Family	Other
22 States	636	4,539	1,233	295	6,703	9	68	18
Northern Plains States	84	617	129	31	861	10	72	15
Nebraska	49	341	65	12	467	10	73	14
North Dakota	2	16	3	8	29	7	55	10
South Dakota	22	178	29	8	237	9	75	12
Kansas	11	82	32	3	128	9	64	25
Corn Belt States	147	871	312	47	1,377	11	63	23
Ohio	31	154	67	14	266	12	58	25
Indiana	24	217	61	13	315	8	69	19
Illinois	27	158	55	6	246	11	64	22
Iowa	37	184	61	6	288	13	64	21
Missouri	28	158	68	8	262	11	60	26

¹Farms having gross sales of \$2,500 or more. ²County unit basis. ³Excluding unclassified category.

cede that a few qualifying corporations may have been missed in some counties.

Findings of the Nebraska Survey

It was found that in Nebraska only 3/4 of one percent (0.75) of all commercial farms are corporately owned and that only 4.08% of the total land in farms is owned by corporations. The survey revealed also that of the 467 corporation farms in the state, the great preponderance, 75%, are owned by family corporations, an additional 11% by those classified as "individual" corporations, and only 14% by other types of corporations. Even more significant was the finding that of the 1,886,000 acres of Nebraska farm land owned by corporations, 80.4% is owned by family corporations, 4.7% by individual corporations, and only 12.3% by other (nonfamily) corporations. Corporate ownership of the remaining 2.5% could not be classified. Expressed numerically, of the 62,000 commercial farms in the state, 341 are owned by family corporations, 65 by other or nonfamily corporations, 49 by corporations classified as individual, and 12 unclassified.

What about the size of corporate farms in Nebraska? Corporately owned farms are indeed larger than the average commercial farm, but the average family corporation has 4,453 more acres than the average farm classified in the "other corporation" category. Family corporate farms in this state average 4,453 acres as compared with 3,568 acres for nonfamily corporation farms and with 1,794 acres, the average for farms owned by "individual" corporations. The average number of acres for all commercial farms in the state is 745, whereas the average size of corporate farms is 4,033.

Of the corporations having agricultural operations in Nebraska, 63% are engaged in farming only; 17% are involved also in agribusiness, such as farm supplies, or marketing or processing of farm products; 17% are combining farming with business activities unrelated to production of agricultural products, and 3% combine farming with both agribusiness and other business activities.

Nebraska and Other States Compared

The findings for Nebraska are not markedly different from the composite findings for the other states surveyed. In the 22 states there are 6,700 corporate units operating about 40 million acres of land, but such corporate units represent less than 1% of all commercial farms and only about 7% of the land in farms in those states. Of the total corporate farms, about 40% are in the eight

Mountain States, which have also 80% of the land operated by corporations in the 22 states. In the Northern Plains States that include North and South Dakota, Nebraska, and Kansas, corporations operate only 0.42% of the commercial farms and 2.18% of the land in farms. In most Corn Belt and Lake states the proportion of corporate farms is less than 0.5% of all farms and the acreage operated ranges between 1.0 and 1.5% of the total farm acreage.

Variations in the proportions of the three types of farm corporations in the 22 states are not great. In general, the highest proportion of "other" corporations was reported in the Lake and Corn Belt States and the lowest in the Northern Plains States and in Montana and Idaho, where the larger family-type ranches are often incorporated. Except in the Mountain States, the average acreage operated by family corporations was not significantly different from the average acreage in other corporate farms.

The average acreage per corporate unit in Nebraska was more than five times the average for all commercial farms, whereas in the Lake and Corn Belt States the corporate farms were only slightly more than three times larger than the commercial farms. In the Mountain States the average acreage of a corporation farm is substantially greater than for all farms, but not much greater than the average for all livestock ranches.

In Nebraska the proportion of farm corporations that combine nonfarm business interests with farming is identical to the proportion that combine farming with agribusiness activities, 17% in each case. This is in contrast to the situation prevailing in other states surveyed, where the combination of farming and nonfarm business activities is most common, particularly in the Corn Belt, where up to one-third of the farm corporations represent local business firms that are engaged in wholesale or retail trade as well as a farming enterprise. Composite figures for the 22 states indicate that about one-third of the corporations that combine agribusiness with farming are not family owned, and one-man corporations that combine farming with nonfarm business are more prevalent than those that combine farming and agribusiness or those that engage in farming only.

Conclusion

There were many aspects of corporate farming that could not be explored by the techniques employed in the survey here reported. No attempt was made to study such (Continued on page 6)

TABLE III
CORPORATIONS OPERATING
ACRES OPERATED AND PERCENTAGE DISTRIBUTION,
BY TYPE, 22 STATES, 1968

State and Region	Acres Operated by Type				Total	Percentage Distribution ¹		
	Individual (1,000 Acres)	Family (1,000 Acres)	Other (1,000 Acres)	Unclassified (1,000 Acres)		Individual	Family	Other
22 States	3,269	27,210	7,757	1,987	40,223	8	68	19
Northern Plains States								
Nebraska	88	1,518	232	48	1,886	5	80	12
North Dakota	2	40	3	16	61	3	66	5
South Dakota	90	1,307	149	54	1,600	6	82	9
Kansas	21	151	60	5	237	9	64	25
Corn Belt States								
Ohio	120	819	278	41	1,258	10	65	22
Indiana	13	138	36	10	197	7	70	18
Illinois	19	155	45	9	228	8	68	20
Iowa	21	145	75	6	247	8	59	30
Missouri	28	167	40	5	240	12	70	17
	39	214	82	11	346	11	62	24

TABLE IV
COMMERCIAL FARMS, AND AVERAGE ACRES OPERATED
BY CORPORATIONS, BY TYPE, 22 STATES, 1968

All Commercial Farms (Acres)	Type of Corporate Farm			
	Individual (Acres)	Family (Acres)	Other (Acres)	All (Acres)
608	5,088	5,946	6,484	5,961
853	2,401	4,903	3,403	4,418
745	1,794	4,453	3,568	4,033
1,004	859	2,485	968	2,095
1,025	4,086	7,340	5,140	6,756
754	1,927	1,840	1,864	1,853
273	837	941	891	918
216	425	897	538	739
246	782	714	740	724
290	788	918	1,370	1,005
264	762	909	652	836
338	1,469	1,354	1,207	1,330

¹Excluding unclassified category. Source: Ibid, Tables 3 and 4, pages 12 and 13.

MERCHANTS AT THE CROSSROADS

Because it is recognized that in Nebraska as in many other midwestern states the small town merchant faces serious problems today, it is believed that the following article will be of interest to Business in Nebraska readers. It is reprinted by permission from The Farm Index, August, 1968. E. S. W.

Changes in agriculture are creating both opportunities and problems for businessmen in rural America.

The most obvious of these changes affecting businessmen is the long term decline in farm numbers and farm population. Total farm numbers dropped from 4.1 million in 1959 to 3.1 million this year. And by 1980, the total number of farms may be an estimated 29 percent fewer than today.

Along with this change, there has been a shift in the composition of inputs used on farms. Farmers are using less labor but are buying more goods and services from nonfarm businesses.

What do these changes denote for the rural businessmen?

For one thing, bigger expenditures by farmers for production inputs - machinery, fertilizers, feeds, pesticides, etc. - point to a larger total volume of business for those who manufacture and sell the goods and services that farmers buy.

This year farmers are spending the record amount of \$35 billion to operate their farms and ranches. In addition, they'll be buying everyday living items out of an estimated net farm income of probably over \$15 billion and income from other jobs.

Overall it appears that the economic potential of farm supply businesses is quite good. But the success of individual merchants will depend largely on their ability to increase efficiency and keep up-to-date on changing technology and its overall effects.

The more successful merchants will probably be those that make the greatest effort to assist farmers in selecting from the ever-increasing stock of machinery, chemicals, seeds, and other inputs.

There is little doubt that changes in the structure of farming are increasing the buying power on farms. But the same changes, too, are gradually affecting the economic vitality of our whole rural network of small towns and cities.

The need for a big farm population to till the soil has been largely removed by technological developments in farming. This has spelled a steady loss of farm population and rural merchants living in rural communities.

While the U.S. population has increased by over 18 million since 1960, the farm population has shrunk by almost 5 million - with the sharpest decline in numbers of middle-aged and young people.

These statistics are probably the chief reason for pessimism about the future for rural merchants, particularly those not engaged in supplying production inputs to farmers.

Another reason for pessimism is the fact that rural customers are much more mobile than they used to be. And this constitutes a special hardship for merchants in small towns and villages.

Farm equipment dealers, grain elevator operators, and others who sell farmers' needs are finding that the increased mobility of their customers has tended to change their buying habits as well as their habitats.

To a large extent, the network of rural towns and cities was laid out on a horse-and-buggy system. Horsedrawn transportation limited the distance a farmer could ride to buy supplies or to sell his produce. The effect of current trends in farming is to greatly

LOCAL INITIATIVE IN AREA GROWTH

The following condensation of an article by William J. Nagle, Director, Office of District and Area Planning, EDA, is reprinted by permission from the January, 1968, issue of Economic Development.

"Community development" has become the key element in the Economic Development Administration's (EDA's) multi-county development district program. This combines two forces: economic development and community organization.

The people must organize themselves for planning and action. The program prepared by each district is designed to encourage the local people to "define their needs" and propose solutions. The main stress is on local initiative.

To this EDA adds an important new ingredient - the full-time professional staff member of the district, who acts as catalyst, the entrepreneur, the "change agent." The change for which he tries to act is more than change in employment statistics; it is also change in those attitudes of the local people that may hinder economic development.

Assistant Secretary of Commerce Ross D. Davis notes that "in many depressed communities there will be no economic growth, no change, unless the people who live in them want to change, to participate in programs that will improve the quality of life in their communities through economic growth."

This need of an attitude for change is reflected in a new approach being used by EDA - a newly devised community profile for a city, town, or district eligible for a public works grant. The profile is designed to determine the attitude of the community's leadership toward growth, its recognition of other public facility needs such as schools and hospitals - in short, to determine the presence or absence of those attitudes that will insure that the proposed project will actually be a part of a development process.

enlarge the volume of business or size of market required for efficient operation.

Today, there is considerable evidence that farmers drive right through their local small town enroute to a larger trading center. Merchants are often faced with relocating to larger trading centers or adjusting operations to a declining volume of business. They often must increase their own investment in facilities and inventory and provide more credit for their customers.

Farmers are looking for the merchant who can provide the best deal in terms of volume discounts, credit terms, timely and complete service, and accurate technical advice.

As farmers become fewer in number they may gain a certain leverage with firms competing for their business. But mainly they are more demanding because of their own business pressures.

Rural businessmen who cannot actively counter the forces exerted by current agricultural trends may be forced to close down.

But some merchants in traditional farming communities are finding ways - and will so continue - to expand their trade: by relocation; business improvements; new lines of goods or services; or by reaching new customers.

These are the small businessmen whose good customers in the farming community today will be even better ones tomorrow because they are adjusting their old ways of business to meet new demands of customers.

STATE AND LOCAL TAXES IN NEBRASKA

Published three times in January, February, September, October, and December, and twice in other months, by the University of Nebraska Office of Publications, Nebraska Hall, Lincoln, Nebraska 68508. Second class postage paid at Lincoln, Nebraska.

Vol. 48 Lincoln, Nebr., March 17, 1969 No. 21

BUSINESS IN NEBRASKA
 published monthly by the
 University of Nebraska College of Business Administration
 Dr. C. S. Miller, Dean
BUREAU OF BUSINESS RESEARCH
 309-10 Social Science Building, City Campus, Lincoln, Nebraska
 Member, Associated University Bureaus of Business and Economic Research

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REVIEW

Research Parks from the Community Viewpoint, G. David Hughes, Cornell Study in Policy and Administration, Cornell University, 1966. Paperback, \$2.50.

On the recommendation of Dean John R. Davis of the University College of Engineering and Architecture, the Bureau of Business Research has acquired this well-researched definitive study of policy decisions that must be made with respect to establishment of community research and industrial parks.

The author, Professor Hughes of Cornell University, points out that although economic forces motivate the development of such parks, the restraints are largely esthetic and environmental, thus policy formation represents a compromise between these positions. His study therefore outlines a procedure and presents data that can be used to develop a policy based on an analysis of economic facts rather than on the wishful thinking of promoters.

The unique problems of recruiting tenants have been examined and it is concluded that the selection of industries and even specific firms should flow from a realistic policy toward the type of activities to be permitted within the area. Developers are reminded that analyzing the demand for and the supply of industrial parks is hard work and frequently requires the use of rough estimates, all of which are necessary if the facilities are to be developed in an orderly manner. The author's survey found that there is an oversupply of industrial parks, or at least an oversupply of parks. Such development has lacked both rigorous analysis and creative promotion.

Industrial development parks constitute a comparatively recent phenomenon, and as a consequence relatively little study has been made of them. It is for this reason that the findings of the Cornell study should be called to the attention of administrators who are charged with the responsibility for developing this new and specialized land utilization. It appears, indeed, that these administrators might be well advised to reexamine some of their original concepts about such industrial tracts.

The monograph covers many important practical considerations such as: identifying desirable industrial prospects, estimating the economic impact of selected industries, estimating the impact on the local labor supply, and estimating the increment in retail sales. It examines also the importance of community size, public services, local resources, and environmental factors, and the necessity for creative promotion and advertising campaigns.

According to figures recently released Nebraska ranked 32nd among the 50 states in state and local taxes per resident in 1967. Of the 18 states below Nebraska 11 were in the Southeast Region. In the Plains Region only Missouri and North Dakota were lower. The figures were compiled by the Tax Foundation, a private nonprofit, nonpartisan research and public education organization which deals with the fiscal and management aspects of government.

State and local governments in Nebraska collected \$272 per person in taxes in 1967. This compared with \$310 for the nation as a whole. Minnesota was highest among the Plains states with \$357 and Missouri lowest with \$260.

State and local taxes in Nebraska amounted to 9.3% of personal income, as compared with 10.6% for the United States. Only 4 states in the nation had a lower percentage (Connecticut, 9.1%, Texas, 9.1%, Illinois, 8.5%, and Ohio, 8.2%.

The 9.3% of personal income collected in state and local taxes represented a 6% increase from the 8.8% collected in 1957. Only Mississippi, Iowa, South Dakota, and North Dakota had percentage increases over this period of time. The increase for the nation was 21%.

E. S. WALLACE

State	Per Capita 1967	Per \$1,000 of Personal Income		
		1967	1957	Percent Increase
Plains State Region:				
Minnesota	\$357	\$123	\$104	19
Iowa	328	109	107	2
Kansas	315	110	97	13
South Dakota	288	118	124	- 5
NEBRASKA	272	93	88	6
North Dakota	267	111	123	- 9
Missouri	260	93	71	32
United States	310	106	87	21

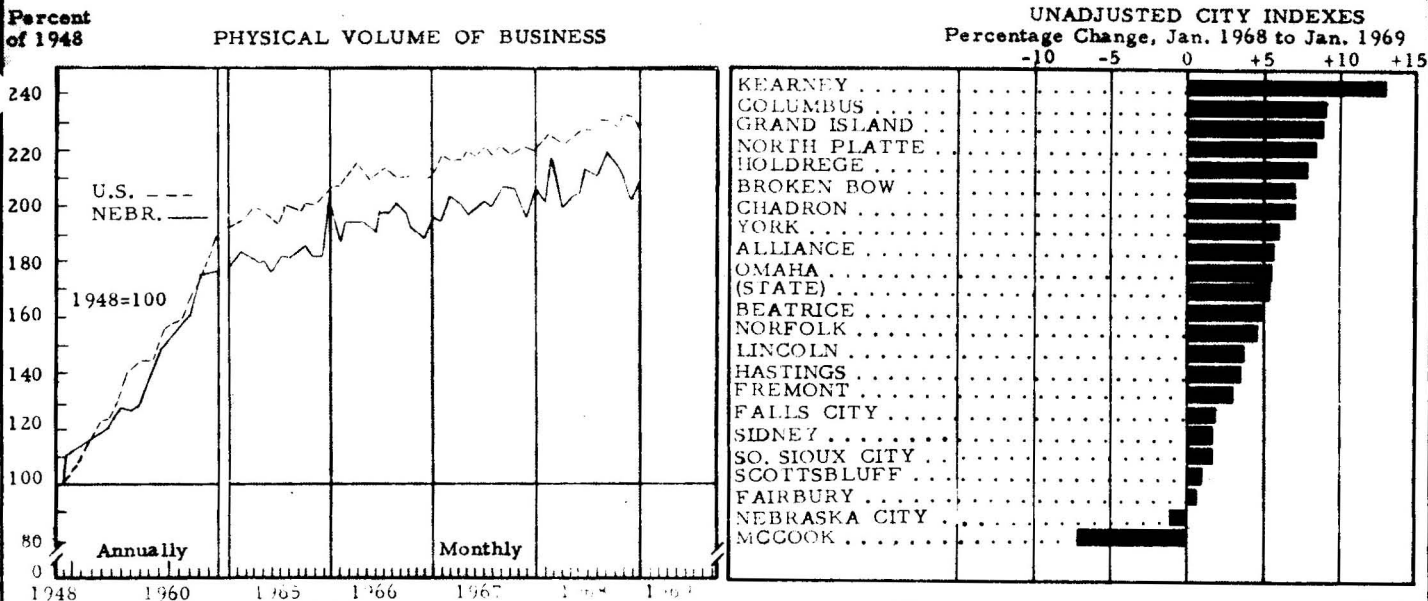
(Continued from page 2) questions as production efficiency of large-scale operations, their impact upon pricing and competition in local markets, and their possible tax shelter advantages. The survey is significant, however, because it provides facts on the current minimal extent of corporation farming in Nebraska and other midwestern states as shown in the accompanying tables.

DOROTHY SWITZER

State and Region	Farming Only	Farming Plus:			Total
		Agri-business ¹	Non-agri-business ²	Combination ³	
22 States	64	13	20	3	100
Northern Plains States	65	14	18	3	100
Nebraska	63	17	17	3	100
North Dakota	35	25	40	0	100
South Dakota	74	6	17	3	100
Kansas	59	17	21	3	100
Corn Belt States	48	20	28	4	100
Ohio	42	23	33	2	100
Indiana	54	18	24	4	100
Illinois	40	21	33	6	100
Iowa	52	20	24	4	100
Missouri	50	17	28	5	100

¹ Farm supplies, or marketing or processing of farm products.
² Business activities unrelated to production of agricultural products.
³ Both agribusiness and other business activities.

Source: Ibid, Table 5, page 14.



Figures on this page are not adjusted for seasonal changes nor for price changes. Building activity includes the effects of past as well as present building permits, on the theory that not all building is completed in the month the permit is issued. R. L. B.

VI. CITY BUSINESS INDICATORS

Percent of Same Month a Year Ago									
JAN	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	105.4	110.5	105.5	106.8	105.5	107.2	100.2	103.4	103.9
Beatrice	104.9	97.4	67.0	110.3	125.2	106.1	49.7	110.4	106.0
Omaha	105.6	121.2	140.8	105.7	106.5	103.8	100.9	102.7	106.7
Lincoln	103.7	113.0	116.7	101.4	111.0	102.4	100.0	98.6	94.0
Grand Island	108.9	93.6	114.3	101.0	123.2	112.4	115.5	107.9	100.0
Hastings	103.6	119.5	18.1	97.5	104.0	111.4	65.7	102.5	111.6
Fremont	103.0	111.7	97.5	102.4	83.0	NA	113.6	100.5	NA
North Platte	108.4	107.0	245.5	121.3	116.3	103.3	94.9	107.0	87.9
Kearney	112.9	106.3	129.9	102.1	113.8	111.5	113.3	133.7	NA
Scottsbluff	101.0	89.8	46.6	111.2	135.2	96.7	83.3	106.2	142.9
Norfolk	104.6	103.7	89.5	99.7	104.4	110.7	90.8	116.6	116.6
Columbus	109.0	112.5	145.0	105.8	115.2	112.3	89.0	105.5	95.5
McCook	92.9	105.6	88.7	107.5	103.6	89.9	NA	69.9	85.3
Sidney	101.7	103.9	19.9	102.0	112.9	99.3	104.9	94.9	NA
Alliance	105.7	96.0	161.8	89.6	113.1	110.8	93.6	110.3	105.7
Nebraska City	98.9	129.5	27.1	92.9	112.0	101.5	121.1	75.9	NA
So. Sioux City	101.7	119.2	72.1	93.1	85.1	121.1	NA	109.4	NA
York	106.0	99.8	155.7	111.3	104.0	111.5	103.7	99.4	94.1
Falls City	101.8	106.2	75.6	120.4	108.0	113.5	99.0	82.4	93.9
Fairbury	100.7	96.7	4.8	112.2	109.7	NA	93.6	71.9	112.6
Holdrege	107.8	113.5	141.4	100.7	133.2	108.7	100.0	106.0	91.9
Chadron	107.1	131.1	107.5	94.3	109.8	114.8	104.0	85.0	NA
Broken Bow	107.1	104.8	18.6	106.1	112.7	110.1	95.6	107.5	130.6

Percent of Preceding Month (Unadjusted)									
JAN	City Index	Bank Debits	Building Activity	Retail Sales	Electricity Consumed	Gas Consumed	Water Pumped	Postal Receipts	Newspaper Advertising
The State	95.9	103.4	91.9	72.7	112.8	113.1	103.1	85.1	75.8
Beatrice	93.7	98.0	71.8	83.5	112.1	111.7	99.7	93.4	67.2
Omaha	97.5	111.4	100.5	83.3	103.2	103.7	103.3	81.4	75.8
Lincoln	98.8	103.5	103.1	74.9	106.5	102.2	102.4	87.5	86.9
Grand Island	92.1	102.1	76.2	61.1	104.0	153.9	105.4	81.4	80.9
Hastings	93.3	108.5	78.9	69.4	109.3	105.6	100.7	87.8	63.0
Fremont	95.8	110.6	34.8	78.5	209.7	NA	99.6	94.3	NA
North Platte	96.5	96.2	100.8	67.3	118.8	105.5	103.1	86.0	65.2
Kearney	92.8	85.9	91.1	63.7	77.9	123.9	101.5	106.0	NA
Scottsbluff	89.9	82.5	76.6	75.2	127.7	129.2	89.4	87.7	100.1
Norfolk	92.9	90.0	83.7	70.3	130.8	105.5	100.0	97.8	79.7
Columbus	92.2	105.5	86.9	62.9	123.7	115.6	87.1	89.2	72.6
McCook	92.9	113.3	113.7	88.1	103.6	67.1	NA	71.1	83.5
Sidney	105.7	103.9	97.4	66.9	121.4	151.4	115.8	66.5	NA
Alliance	91.2	91.1	82.5	66.1	109.6	150.4	117.7	81.6	75.1
Nebraska City	102.4	116.7	89.5	66.6	109.0	111.8	127.1	75.6	NA
So. Sioux City	102.5	93.0	90.5	92.2	134.5	137.5	NA	78.0	NA
York	95.6	118.3	76.1	89.3	122.3	107.4	105.9	71.1	79.9
Falls City	84.7	86.0	77.5	63.5	109.9	124.0	100.5	74.5	66.9
Fairbury	88.1	98.4	78.5	78.7	102.5	NA	96.7	64.7	89.1
Holdrege	90.9	105.4	102.3	71.4	115.9	137.9	81.9	74.1	60.4
Chadron	89.2	122.1	79.5	67.5	76.5	100.8	118.3	70.4	NA
Broken Bow	88.0	84.0	92.2	76.5	104.5	113.8	99.3	68.9	76.3

Business Summary

Both Physical Volume and Dollar Volume indexes indicate Nebraska's general level of business activity in December, 1968, was above that of the same month last year. Both indexes also indicate that the November, 1968, general level of business appears to have been maintained through December. Both the Nebraska indexes were, however, at levels approximately 4% lower than those of the U. S. On a month-to-month basis, however, Nebraska's changes were nearly equal to those of the U. S.

In December, 1968, eight of Nebraska's ten individual indicators

were at levels notably higher than they were during the same period a year ago. Unaccountably, retail sales were reported at a lower level and, in part as a result, banking activity also appears to have risen less than expectable. Construction activity was well above that of last year; much of this reflects carry-over of construction started earlier in the Fall.

Nebraska's Dollar Volume of Retail Sales appeared to recover in January, being at a level nearly 7% above that of January, 1968. Much of this increase can be attributed to rising prices. North Platte, Fairbury, Scottsbluff, York and Beatrice reported notable increases over last year's levels.

All figures on this page are adjusted for seasonal changes, which means that the month-to-month ratios are relative to the normal or expected changes. Figures in Table I (except the first line) are adjusted where appropriate for price changes. Gasoline sales for Nebraska are for road use only; for the United States they are production in the previous month. R. L. BUSBOOM

I. NEBRASKA and the UNITED STATES

II. PHYSICAL VOLUME OF BUSINESS
Percentage of 1948 Average

DEC Business Indicators	Percent of 1948 Average		Percent of Same Month a Year Ago		Percent of Preceding Month	
	Nebraska	U.S.	Nebraska	U.S.	Nebraska	U.S.
	Dollar Volume of Business	296.4	375.5	106.1	111.5	100.2
Physical Volume of Business	203.6	232.7	102.7	106.5	101.1	100.3
Bank debits (checks, etc.)	220.1	386.5	103.9	115.3	108.7	101.0
Construction activity	338.3	174.1	143.5	97.5	110.8	100.3
Retail sales	144.0	181.3	96.8	101.3	97.0	95.4
Life insurance sales	393.8	481.0	111.0	105.7	103.4	112.6
Cash farm marketings	198.0	159.0	104.3	104.3	125.4	102.9
Electricity produced	395.3	485.5	121.6	110.9	96.3	99.5
Newspaper advertising	163.8	160.2	106.4	111.6	95.6	104.4
Manufacturing employment	172.2	130.4	103.5	102.6	101.0	100.8
Other employment	147.4	169.7	102.7	103.5	101.3	100.7
Gasoline sales	257.7	218.6	95.8	102.5	129.5	93.1

Month	Nebraska	U.S.
	1967-68	1967-68
December	199.3	218.6
January	210.0	224.4
February	214.5	228.5
March	197.6	225.6
April	201.1	225.7
May	204.0	227.4
June	212.8	228.1
July	211.8	230.8
August	216.7	230.7
September	213.2	227.9
October	209.8	232.6
November	201.4	231.1
December	203.6	232.9

III. RETAIL SALES for Selected Cities. Total, Hard Goods, and Soft Goods Stores. Hard Goods include automobile, building material, furniture, hardware, equipment. Soft Goods include food, gasoline, department, clothing, and miscellaneous stores.

JAN					JAN						
City	No. of Reports	Percent of Same Month a Year Ago			Percent of Preceding Month	City	No. of Reports	Percent of Same Month a Year Ago			Percent of Preceding Month
		Total	Hard Goods	Soft Goods				Total	Hard Goods	Soft Goods	
THE STATE	772	106.8	106.4	105.9	97.9	Fremont	28	102.4	99.4	105.1	105.3
Omaha	83	105.7	102.9	108.0	109.3	Fairbury	23	112.2	120.0	103.3	105.0
Lincoln	70	101.4	91.1	109.9	99.3	Norfolk	30	99.7	97.5	101.6	93.4
Grand Island	33	101.0	100.1	101.8	84.5	Scottsbluff	37	111.2	117.6	105.7	99.0
Hastings	30	97.5	94.1	100.4	93.1	Columbus	28	105.8	102.4	108.8	85.7
North Platte	19	121.3	130.2	113.0	94.7	McCook	17	107.5	120.0	94.3	118.1
						York	25	111.3	143.3	90.9	121.7

IV. RETAIL SALES, Other Cities and Rural Counties

V. RETAIL SALES, by Subgroups, for the State and Major Divisions

JAN	No. of Reports	Percent of Same Month A Year Ago	Percent of Preceding Month
Kearney	16	102.1	84.3
Alliance	27	89.6	96.1
Nebraska City	21	92.9	90.4
Broken Bow	15	106.1	101.4
Falls City	18	120.4	91.3
Holdrege	16	100.7	94.5
Chadron	22	94.3	92.6
Beatrice	18	110.3	116.8
Sidney	24	102.0	88.3
So. Sioux City	9	93.1	130.3
Antelope	9	100.9	95.4
Cass	21	93.9	93.7
Cuming	11	114.6	109.8
Sand Hills**	22	92.0	90.0
Dodge***	11	100.1	120.1
Franklin	10	95.4	94.7
Holt	14	107.1	90.9
Saunders	15	196.2	112.0
Thayer	9	115.1	107.5
Misc. Counties	41	111.1	100.7

JAN	Percent of Same Month a Year Ago			
	Nebraska	Omaha and Lincoln	Other Cities	Rural Counties
ALL STORES****	106.8	103.8	102.1	114.4
Selected Services	100.9	99.2	106.6	96.8
Food stores	106.6	107.7	102.0	110.2
Groceries and meats	108.5	109.6	107.0	109.0
Eating and drinking pl.	100.0	99.4	94.6	106.1
Dairies and other foods	115.0	121.0	94.5	129.5
Equipment	112.2	104.0	104.1	128.4
Building material	123.9	103.2	93.9	174.5
Hardware dealers	108.3	111.8	107.0	106.0
Farm equipment	115.0	99.5	130.9	114.5
Home equipment	101.1	103.2	99.3	100.7
Automotive stores	100.9	96.5	105.2	101.0
Automotive dealers	99.1	91.2	106.5	99.7
Service stations	106.8	117.7	100.2	102.4
Miscellaneous stores	104.8	103.6	99.8	111.1
General merchandise	107.4	101.4	105.1	115.7
Variety stores	90.6	82.7	92.1	97.0
Apparel stores	110.8	114.9	103.3	114.3
Luxury goods stores	117.6	106.3	110.6	135.8
Drug stores	99.1	103.5	96.1	97.6
Other stores	92.3	105.7	77.2	94.0

**Hooker, Grant, Dawes, Cherry, and Sheridan Counties
***Outside Principal City

****Not including Selected Services