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General Tobacco Policy Survey Questions from the Tobacco Baling Survey

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General Tobacco Policy Survey Questions

The Study

A tobacco baling study was conducted in December 1999 to primarily investigate the potential market impact of baled flue-cured tobacco. A questionnaire was mailed to 2,148 South Carolina producers, all in-state warehouses, and all active flue-cured buyers. The buyers included companies, exporters, and dealers; these were to leaf departments in each entity. The producer mailing list came from extension county tobacco listings and some were to quota holders instead of producers; only producers were asked to respond.

The response to these mailings was slightly less than 10 percent returned for farmers, around 30 percent for the warehouses, and almost 40 percent for the buyers. Since all mailings were anonymous, there was no chance for follow-up.

A second part to each questionnaire contained general tobacco policy questions and these were the same for everyone. This study was deliberately mailed to be received just after the December 15, 1999 USDA announcement of the 2000 flue-cured quota. The actual questionnaire of general questions is shown in Appendix A.

There were four broad sections to the general policy questions. The first was a question about the most important industry problems, or called "Problem." This was followed by the three most important positive attributes, "Positive," to the industry. The third section was a question regarding what changes the respondent would like to see in the tobacco program if it were to continue, or "Program Changes." The last section, "Other Questions," were the three ranking questions about contracting, nitrosamines (TSNA), and the tobacco program affecting income potential.

Background

The future is uncertain for U.S. tobacco production. For various reasons, and especially tobacco agreement activities, all parts of the system are experiencing conditions that are very different from the immediate past and face a future that will likely be even more different than those today. From the grower's standpoint, this has been evident in the massive flue-cured quota cuts over the past three years. Much, if not most of this decline was either directly or indirectly based on the non-farm level tobacco agreement and litigation activities.

Industry long-term projections are also bleak. Recent massive cigarette price increases to pay for these agreements, increased health and other regulations, and known/potential future tax increases are just examples of present/future impacts. Producers/quota holders' outlook has been dismal for continuing future production levels necessary to maintain economic survival. The status-quo issue is further clouded by the increasing debate of alternative possibilities such as contracting, massive program changes, or even, no program.

For example, contracting is starting to become a reality and this could have an immense impact on the present tobacco program.

Because of the above overall situation, the 2000 U.S. flue-cured basic quota was reduced by another 18.5 percent from last year (just announced at the time of this study.) This means there has been a three-year reduction of near 45 percent in quota levels. The livelihood of farmers and support industries will be threatened as their survival is being jeopardized by significantly smaller production, uncertainty, and loss of control.

Producers and quota holders have started to participate in compensation from the tobacco trust funds. At the time of this study, no monies had yet been received but were promised. The trust activity or settlement (called “buy-out” in the responses) is important and will certainly aid but it will not solve the farm-level, community, and support industry problems.

One bright spot on the near horizon is the production of “low nitrosame” tobacco. According to the press, this would reduce certain important carcinogens. If true, then this could revolutionize the production of flue-cured tobacco.

The outlook for producers/quota holders is difficult, if not dismal for continuing future production levels necessary to maintain economic survival. This also will affect supporting and linking industries such as suppliers, workers, lenders, warehouses, etc. This problem is further enhanced by immense changes, lower priced imported tobacco, trust activity, contracting, possible program changes (or elimination), and the present economic situation. From the policy standpoint, the present period is critical.

Problems

The response to the most important industry problems varied widely but was usually consistent between all groups responding. Table 1 contains the percent of broad category responses. The most popular category was external industry concerns of law suits against companies, government involvement, news media, health concerns, etc. Quota issues was second and the largest within industry topic. Imports and exports ranked next while uncertainty and lack of internal industry communication followed close behind. Marketing issues was another major category with buyer inconsistency, the present auction system, and baling standardization being important. Interestingly, warehouse operators led the way in this area with issues and in the “Change” section, called for reform in the present auction system. The other broad categories included: prices/price support, quality issues, grading/grades, program issues, production problems, and overall system integrity. The reported data in this section was for all respondents since there was little/no differences except where mentioned.

Table 1. General Question of the Most Important Problems With the Industry; Percent of Response by Category; All Respondents.

<i>Category</i>	<i>Percent</i>
Law Suits/Government/Public	22.8
Quota Issues	14.0
Imports / Exports	12.4
Uncertainty / Industry Issues	11.4
Marketing Issues	10.4
Prices / Price Support	5.9
Quality Issues	5.5
Grading/Grades Issues	5.2
System / Program Issues	4.9
Production Issues	4.6
Integrity of System	2.9

Each problem category is further subdivided (table 2) into topics or specific comments. This is useful in appraising each category and how these were subdivided. These issues were open-ended when asked and every attempt was made to accurately group each.

From the “background” section, it is evident that external (to production) industry problems have been paramount in impacting this industry and the first category is consistent. Quota issues were highly important to the industry and quota cuts accounted for over 60 percent of these within category comments. The other two remarks concerned quota not being in growers hands and cash rental rates. It was mildly surprising that some different issues such as across county leasing were not raised in this area. Value of quota was mentioned in relation to world competition and this was listed in the import/export section.

Uncertainty/industry issues basically pointed out the need for improved communication within the system - - this was a concern of all groups. Many respondents called for the industry to put the past behind and start pulling together as a team to make necessary changes to support the current program/system.

Marketing issues was divided between buyer inconsistency and the problems with the auction system. Some of the buyer problems dealt with the lack of paying premiums for bales. Bale standardization was a compilation of comments about the slip sheets, ties, moisture, size, handling, sale presentation, etc. Prices/price support remarks highlighted the need for higher prices or profits.

Table 2. General Question of the Most Important Problems With the Industry; Percent of Response by Topic Within Category; All Respondents.

<i>Category</i>	<i>Topic</i>	<i>Percent</i>
<i>LAW SUITS/GOVERNMENT/PUBLIC</i>	<i>Lawsuits Against Companies</i>	<i>31.9</i>
	<i>Government; Politics Anti-Tobacco</i>	<i>15.9</i>
	<i>News Media; Public Misinformed;</i>	<i>13.0</i>
	<i>Health Concerns</i>	<i>10.1</i>
	<i>Taxes on Cigarettes & Tobacco</i>	<i>7.2</i>
	<i>Government Destroying Industry</i>	<i>5.8</i>
	<i>President and V.P.</i>	<i>5.8</i>
	<i>Government Regulations; FDA</i>	<i>5.8</i>
	<i>Lawyers</i>	<i>4.3</i>
<i>QUOTA ISSUES</i>	<i>Quota Cuts</i>	<i>60.5</i>
	<i>Quota Not in Growers Hands</i>	<i>25.6</i>
	<i>Quota and Cash Rent</i>	<i>14.0</i>
<i>IMPORTS / EXPORTS</i>	<i>Imports</i>	<i>76.3</i>
	<i>World Competes Because of U.S. Quota</i>	<i>7.9</i>
	<i>Companies Support U.S. Farmer</i>	<i>5.3</i>
	<i>Domestic Declining Demand</i>	<i>5.3</i>
	<i>Companies Teaching Countries How to</i>	<i>2.6</i>
	<i>Foreign Competition</i>	<i>2.6</i>
<i>UNCERTAINTY / INDUSTRY ISSUES</i>	<i>Companies Do Not Support Farmers</i>	<i>42.9</i>
	<i>Present Uncertainty Confusion etc.</i>	<i>14.3</i>
	<i>Uncertain Future</i>	<i>14.3</i>
	<i>Decisions Not Including Farmers</i>	<i>11.4</i>
	<i>Lack of Overall Communications</i>	<i>8.6</i>
	<i>Industry Not as Team</i>	<i>8.6</i>
<i>MARKETING ISSUES</i>	<i>Buyer Inconsistency or Integrity</i>	<i>43.8</i>
	<i>Auction System</i>	<i>37.5</i>
	<i>Baling Standardization Issues</i>	<i>9.4</i>
	<i>Sale Allocation</i>	<i>6.3</i>
	<i>Warehouse Floor Storage Problems</i>	<i>3.1</i>
<i>PRICES / PRICE SUPPORT</i>	<i>Costs Increasing More Than Price</i>	<i>44.4</i>
	<i>Price Too Low</i>	<i>33.3</i>
	<i>Price Too High</i>	<i>11.1</i>
	<i>Price Support System</i>	<i>11.1</i>

Positive Attributes

Positive attribute categories of the industry are shown in table 3. The positive economic impact of tobacco to farms, community, rural areas, and jobs was over 40 percent and more than double any other comment category. The issue of “nothing positive” was next with this being 20 percent of all remarks. The other positive categories were the present system, U.S. strengths, production, and legal/health/external issues.

Table 3. General Question of the Most Important Attributes of the Industry; Percent of Response by Category; All Respondents.

<i>Category</i>	<i>Percent</i>
Income / Economic / Security Impact	40.7
Nothing Positive	20.1
Present System	11.1
U.S. / World Trade	10.6
Production	10.6
Legal / Health / External Issues	7.0

In table 4, the specific positive comments are shown. In the initial category of income/economic impacts, an effort was made to keep answers detailed according to the actual responses; the list of 18 topics were highly interesting. On the other hand, the largest single specific answer was a non-positive “none.” This was a direct reflection of the multitude of present industry troubles and difficulties.

The next broad response concerned the present system - - such as the auction system, current program, buy-out, grading service, etc. The 27 percent positive auction system remarks were from producers and several of these compared the current system to other alternatives.

Specific U.S. / world trade tobacco strengths followed and this included comments about our quality, export value, ability to change, and our growers being the best in the world; the companies commented more in this area. Production was also an important topic as issues such as baling, mechanization, risk taking farmers, and contracting rated the highest.

The industry likewise included positive comments about research for better products, teaching young not to smoke, and nitrosamine (TNSA) reduction. While some rated lower TNSA's as important in this section, they rated a later question as “unsure” about how the industry would handle this, and especially the timing in barn refitting, etc.

Table 4. General Question of the Most Important Attributes of the Industry; Percent of Response by Topic Within Category; All Respondents.

<i>Category</i>	<i>Topic</i>	<i>Percent</i>
Income / Economic / Security Impact	Income to Families and Community	18.5
	Jobs - Employment to Rural Areas	11.1
	Economic Impact	9.9
	Cash Flow - Pays Bills	9.9
	Tax Flow	8.6
	Livelihood	6.2
	Income Stability Per Acre	4.9
	Income for Small / Medium Farmers	4.9
	Family Farm Stays in Business	3.7
	Positive Things Tobacco Dollars Do	3.7
	Financial Effect	3.7
	Honest Living	4.9
	Tobacco Income Better Than Other Crops	2.5
	Helps Keep Freedom to Farm	2.5
	Security to Family Farms	1.2
	Heritage	1.2
	Good People	1.2
	Land Prices Positive Due to Tobacco	1.2
	Nothing Positive	None
None Except Past History of Tobacco		2.5
Present System	Auction System	27.2
	Current Tobacco Program	18.2
	Buy-out	13.6
	Companies/Gov./Farmers Work Together	13.6
	Price Support System	9.1
	Grading Service	9.1
	Insurance	4.5
	Communication	4.5

Table 4 (cont). General Question of the Most Important Attributes of the Industry; Percent of Response by Topic Within Category; All Respondents.

Category	Topic	Percent
U.S. / World Trade	Quality of U.S. Tobacco	66.7
	Exports	14.3
	U.S. Has Ability to Change	14.3
	Growers - Best in World	4.8
Production Issues	Baling in General	23.8
	Mechanization / Mechanical Harvester	19.1
	Farmers Willing to Take a Risk	14.3
	Contracting	14.3
	Supply of Product is Reliable	9.5
	Bulk Curing Barns	4.8
	Extension - Technical Support	4.8
	Uniform Yields	4.8
Legal / Health / External Issues	Greenhouses	4.8
	Smoking Will Continue	35.7
	Research for Better Products	21.4
	Teaching Young Not to Smoke	14.3
	Nitrosamine (TSNA) Reduction	14.3
	Legal Product	7.1
	R&D by Companies	7.1

Program Changes

As reported in table 5, a rather broad spectrum of issues was raised in regards to the question of what program changes are needed if the program is to continue. Important program components ranked highest and comprised the largest three broad categories. These were quota issues, prices/price support, and the general program. Long-term, most of these comments were the direct result of or indirectly caused by the inability of the system to respond to supply and demand changes; thus, these were generally calling for making the system more versatile/market oriented.

Imports/exports were surprisingly less than 8 percent although several of the quota, price

support, and general program comments were directly or indirectly related to world trade. Marketing issues also rated high as needing change. One interesting category was the relatively high response (from producers) that contracting would be necessary for the program to continue to be successful.

The external issues of law suits / government / public was also listed as important in being resolved or improved for future success. Although outside the system, several view these as being a key to industry improvement. Most of the other responses dealt with important subjects of the present system/program and these included: system integrity, uncertainty, grading/grades, stabilization, quality, and the general program. Research was also listed.

Table 5. General Question of What Changes in the Tobacco Program ; Percent of Response by Category; All Respondents.

Category	Percent
Quota Issues	23.4
Prices / Price Support	11.3
System / Program Issues	11.7
Imports / Exports	7.9
Marketing Issues	7.2
Law Suits / Government / Public	6.2
Contracting	6.2
System Integrity	5.8
Uncertainty / Industry Issues	4.8
Grading / Grades Issues	4.1
Stabilization Issues	3.8
Quality Issues	3.4
Program - General	2.1
Research	2.1

Quota topics, in table 6, were rated to be the most important changes needed for the program to continue. Quota stability/increase and quota ownership to the growers were specifically reported most often -- the respondents described an important need for changes in these areas. Prices/price support was also considered to need extensive modification. Price increases was most often reported while the issue of discount or no support for low quality or unusable grades was next. The rest of the price/price support comments were broad but should be considered if any adjustments are made.

Among system/program changes, nearly one-third called for stability, over one-fourth wanted to keep the program the same, and one-fifth favored a multi-year program to reduce year-to-year variations while some of the first category (quota issues) also eluded to this. The continuation/incorporation of the buy-out also ranked as important.

Table 6. General Question of What Changes in the Tobacco Program ; Percent of Response Topic Within by Category; All Respondents.

<i>Category</i>	<i>Topic</i>	<i>Percent</i>
QUOTA ISSUES	Quota Stability / Increase	48.5
	Quota Ownership to Growers	33.8
	Quota Formula Change	5.9
	Quota Rent Elimination	5.9
	Quota Same	2.9
	Quota and Cash Rent	1.5
	Quota in the Program Formula	1.5
PRICES / PRICE SUPPORT	Price Increase	36.4
	Price Support of Poor vs. Good Grades	18.2
	Price Support System Change	9.1
	Support Price Carry Cost of Prod	9.1
	Price Reduction	6.1
	Price Support Increase	6.1
	Price Support Safety Net	6.1
	Price Support Same	3.0
	Prices Fair / Costs Reflect	3.0
	Support Price to Market Value by Grade	3.0
SYSTEM/PROGRAM ISSUES	Program Stability	32.4
	Program Same	26.5
	Program on 2 Year Basis	20.6
	Buy-out	20.5
IMPORTS / EXPORTS	Imports / Exports Issues	56.5
	Export More Tobacco	17.4
	Companies Support U.S. Farmers	17.4
	Foreign Grown Tobacco	4.3
	Market Strength	4.3
MARKETING ISSUES	Auction System Changes	52.4
	Baling Mandatory	19.0
	Baling lack of Standarization	14.3
	Auction System Eliminated	9.5
	Auction System Centralized	4.8

Table 6 (cont). General Question of What Changes in the Tobacco Program ; Percent of Response Topic Within by Category; All Respondents.

<i>Category</i>	<i>Topic</i>	<i>Percent</i>
LAW SUITS/GOVERNMENT/PUBLIC	Government Stop Destroying Industry	33.3
	Politics Anti Tobacco	22.2
	Government Support Our Industry	16.7
	Lawsuits Against Companies	11.1
	Taxes on Cig & Tobacco Lower/Stable	11.1
	Government Regulation	5.6
CONTRACTING	Contract System Support	55.6
	Contracting Stopped	33.3
	Contract Growers Not Get Price Support	11.1
INTEGRITY OF SYSTEM	Stop Crop Insurance Abuse	41.2
	Improve Buyer Inconsistency Integrity	35.3
	Decisions Must Include Farmers	11.8
	Companies Must Support Farmers	5.9
	System Integrity Improvement	5.9
UNCERTAINTY / INDUSTRY ISSUES	Eliminate Present Uncertainty Confusion	50.0
	Overall Communications Improvement	35.7
	Grading System Changes in General	14.3
GRADING/GRADES ISSUES	Grading Change/Streamline	66.7
	Grading Behind Sale	25.0
	Grading Inconsistency Integrity	8.3
STABILIZATION ISSUES	Buyers Not Purchase Co-op at Discount	54.5
	Co-op Sell Tobacco at Profit or Destroy	18.2
	Stabilization Into Processing/Retailing	18.2
	Assess Growers by Co-op History	9.1
QUALITY ISSUES	Pay for High Quality	90.0
	Once Over Harvest Stopped	10.0
PROGRAM - GENERAL	Eliminate Program	83.3
	Improve Debt Repayment via. Program	16.7
RESEARCH	More Research/ Improve Other Health	50.0
	Nitrosamine (TSNA) Tobacco - All/Soon	50.0

The category of imports/exports was also listed as needing immediate consideration. Basically, these points concerned increasing world market share while maintaining our domestic market. Earlier in the price / price support category, some 6 percent of the growers called for price support reduction in order to be more competitive on the world market. Marketing issues such as auction system changes and mandatory baling rated high. Some producers felt that baling standardization/fine tuning was needed and stated concerns such as slip sheets, moisture, ties, presentation, etc. Less than 10 percent of the respondents in this section (all producers) called for eliminating the auction system. There were also remarks about centralizing the auction system but no details were given.

External industry concerns were repeated as needing to be given priority.

The issue of contracting was important with nearly 56 percent of the producers in favor and 33 percent opposed. The rest of the comments dealt with eliminating price supports for contracted production.

The most important topic with the integrity of the system was crop insurance abuse. This was followed by buyer inconsistency, decisions not including farmers, companies not supporting farmers, and overall system integrity. For the uncertainty / industry issues category, respondents placed elimination of present uncertainty/confusion as highest priority, improvement of communications next, and grading system changes in general as third.

For the grading / grading issues section, nearly two-thirds thought there needed to be changes or streamlining of this process. This was followed by the issue of grading behind the sale (some from producers, warehouse, and buyers) and improving consistency.

Interesting stabilization issues (all by producers) included over one-half the comments about buyers not purchasing co-op stocks at discount. In connection with this, over 18 percent thought the co-op should sell tobacco at profit/break-even or destroy. An equal number reported they would like to see stabilization move more into processing/retailing. The fourth item dealt with assessing growers by past co-op history where those who had placed larger amounts in past years would be assessed more.

Most quality issues points called for the system to pay more for quality. Ten percent thought that once over harvesting should be stopped.

General program comments mostly asked for the elimination of the program. Less than 20 percent viewed the need as having the program reflecting debt repayment.

Research was divided between more research for better products and the industry moving to all nitrosamine (TSNA) free tobacco as soon as possible.

Other Questions

This section reports the results of three ranking questions about contracting, nitrosamines (TSNA), and the tobacco program affecting income potential.

The question about the ranking of the importance of contracting, table 7, was considered by nearly 60 percent to be VERY IMPORTANT while 15 percent thought it was SOMEWHAT IMPORTANT. Over 60 percent indicated that nitrosamines (TSNA) were either VERY or SOMEWHAT IMPORTANT while 37 percent were unsure. For both questions, there was very little variability between producers, warehouses, and buyers.

Table 7. General Questions of Contracting Will Affect the Future and The Importance of Nitrosamines (TSNA) to the Future ; Percent of Rank by Question; All Respondents.

<i>Question</i>	<i>Rank</i>	<i>Percent</i>
CONTRACTING	Very Important	59.3
	Somewhat Important	15.3
	Not Important	0.7
	Unsure	24.7
NITROSAMINES (TSNA)	Very Important	26.7
	Somewhat Important	34.7
	Not Important	1.3
	Unsure	37.3

From table 8, the present tobacco program response of all respondents was sharply divided with 49 percent replying that it was NEGATIVE/MAJOR while 27 percent ranked it as POSITIVE/MAJOR. Expressing it another way, 58 percent placed the program as NEGATIVE (either MAJOR or MINOR) while 32 percent ranked it as POSITIVE.

More than one-half of all producers were NEGATIVE / MAJOR but slightly more were POSITIVE (either POSITIVE / MAJOR or POSITIVE / MINOR) than the overall respondents. Warehouses were slightly more positive than overall and had more responses in both the POSITIVE and NEGATIVE MINOR rankings. Nearly two-thirds of the buyers ranked the program as NEGATIVE / MINOR while over 73 percent ranked the program as either NEGATIVE / MAJOR or NEGATIVE / MINOR.

Table 8. General Question of How the Present Tobacco Program is Affecting Income Potential ; Percent of Rank; All Respondents and by Respondent Group.

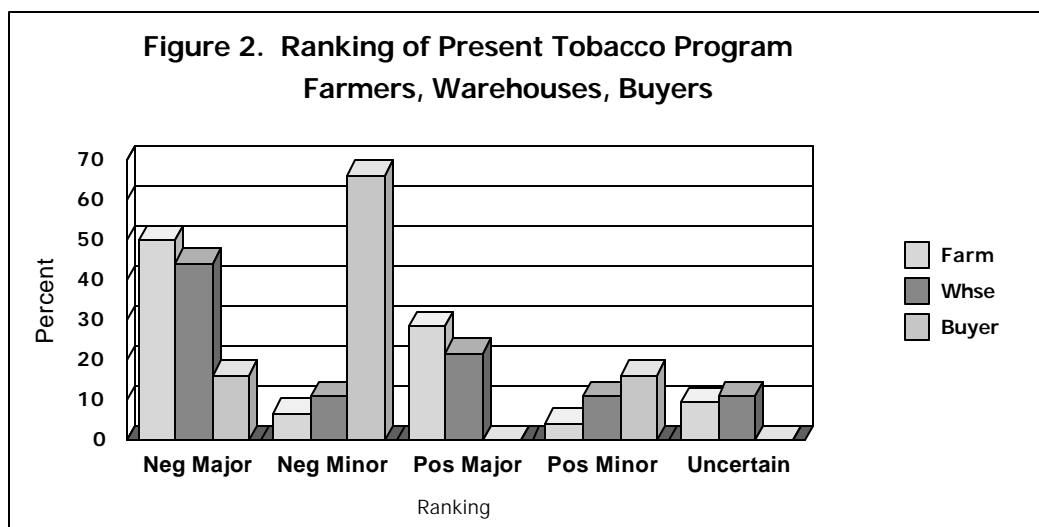
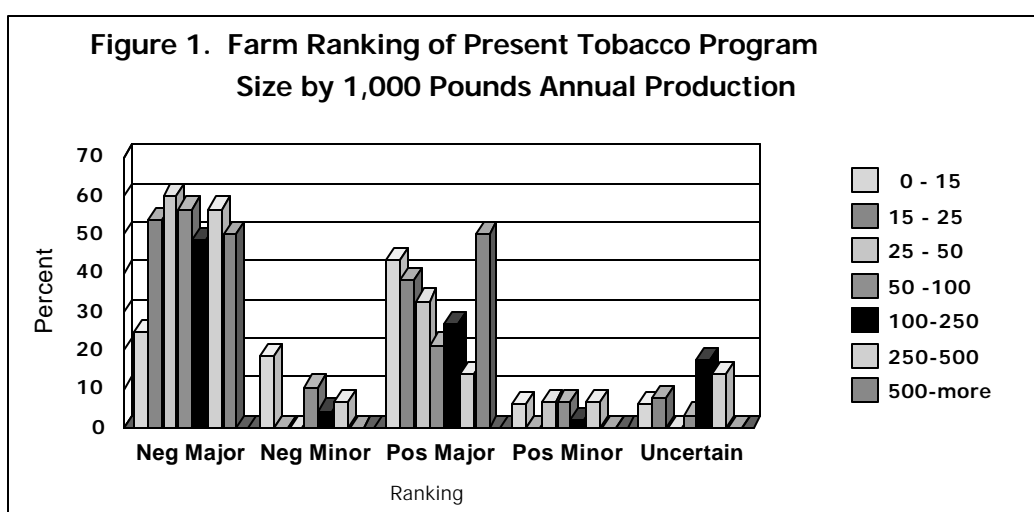
<i>Question</i>	<i>Rank</i>	<i>Percent</i>
OVERALL	Negative / Major	48.7
	Negative / Minor	9.3
	Positive / Major	27.3
	Positive / Minor	5.3
	Uncertain	9.3
PRODUCERS	Negative / Major	50.4
	Negative / Minor	6.7
	Positive / Major	28.9
	Positive / Minor	4.4
	Uncertain	9.6
WAREHOUSES	Negative / Major	44.4
	Negative / Minor	11.1
	Positive / Major	22.2
	Positive / Minor	11.1
	Uncertain	11.1
BUYERS	Negative / Major	16.7
	Negative / Minor	66.7
	Positive / Major	0.0
	Positive / Minor	16.7
	Uncertain	0.0

The producer response by production size is reported in table 9. For producers, the smallest sized production units were the most positive for the program and this was followed by the largest operations. Producers in the 100-250 thousand pounds of annual production were close behind the first two and also more positive than the average. The most NEGATIVE / MAJOR rating came from those in the 25-50 thousand pounds annual output group as several reported elsewhere that they were financially devastated by recent program events. It is logical that this size of production unit (roughly 12.5 to 25 acres) could have been impacted more by the recent quota cuts and program changes. The most NEGATIVE total rating (both MAJOR and MINOR) was the 50-100 thousand pound grouping.

Table 9. General Question of How the Present Tobacco Program is Affecting Income Potential ; Percent of Rank; Producer Respondents by Production Size.

<i>Tobacco Annual Production (lbs)</i>	<i>Rank</i>	<i>Percent</i>
0 - 15,000	Negative / Major	25.0
	Negative / Minor	18.8
	Positive / Major	43.8
	Positive / Minor	6.3
	Uncertain	6.3
15,001 - 25,000	Negative / Major	53.8
	Negative / Minor	0.0
	Positive / Major	38.5
	Positive / Minor	0.0
	Uncertain	7.7
25,001 - 50,000	Negative / Major	60.0
	Negative / Minor	0.0
	Positive / Major	33.3
	Positive / Minor	6.7
	Uncertain	0.0
50,001 - 100,000	Negative / Major	57.1
	Negative / Minor	10.7
	Positive / Major	21.4
	Positive / Minor	7.1
	Uncertain	3.6
100,001 - 250,000	Negative / Major	48.9
	Negative / Minor	4.4
	Positive / Major	26.7
	Positive / Minor	2.2
	Uncertain	17.8
250,001 - 500,000	Negative / Major	57.1
	Negative / Minor	7.1
	Positive / Major	14.3
	Positive / Minor	7.1
	Uncertain	14.3
500,000 and more	Negative / Major	50.0
	Negative / Minor	0.0
	Positive / Major	50.0
	Positive / Minor	0.0
	Uncertain	0.0

Figure 1 is a graphic presentation of table 9 data. It represents the present tobacco program rankings by farm size. One major item is the consistency of the NEGATIVE / MAJOR response with the exception of the smallest sized group of 0 - 15,000 pounds annual production. The POSITIVE / MAJOR reply was highly variable. Figure 2 compares overall farm, warehouse, and buyer rankings of the same question. Farm and warehouse response was fairly close with warehousemen being slightly more positive. On the other hand, buyers significantly ranked the program more as NEGATIVE / MINOR.



Summary

Based on this survey, the tobacco industry is besieged with problems. The most important problem issue was external to the industry and included lawsuits, government, health issues, public, etc.

Because of the economic impact, tobacco was rated as highly important to those involved in the industry, the community, and to local jobs. The industry also included positive remarks about research for better products, teaching young not to smoke, and TSNA's.

From an internal standpoint, policy changes were needed with the tobacco program continuing but it must be modified. Many respondents called for the industry to put the past behind and start pulling together as a team to make necessary changes to support the current program/system.

Quota topics were rated as the most important changes needed for the program to continue. Quota stability/increase and quota ownership to the growers were specifically reported most often. The entire spectrum of the program was covered in these responses.

Long-term, most of these comments were the direct result of or indirectly caused by the inability of the system to respond to supply and demand changes, and therefore, improving the system to be more versatile/market oriented.

Although there were some wide issue differences, there were also many similarities. Issues that can be changed should be considered and pursued. The outcome would hopefully allow the industry to change to meet market conditions, reduce quota variability and costs, produce economically viable quantities, improve quality, make a reasonable living, and support families and communities. These are reasonable goals that will require considerable effort, time and the entire industry to accomplish.

APPENDIX A

Appendix A. General Questions to Flue-Cured Baling Survey.

Note: this section is general and does not affect baling directly but your opinions are important.

What do you feel are the three most important problems with this industry?

- (1) _____

 (2) _____

 (3) _____

What do you feel are the three most important positive attributes of this industry?

- (1) _____

 (2) _____

 (3) _____

How do you feel "contracting" will affect your future (check one) ?

Very Important ___ Somewhat Important ___ Not Important ___ Unsure ___

Do you consider "nitrosamines" to be important to this industry (check one) ?

Very Important ___ Somewhat Important ___ Not Important ___ Unsure ___

How is the present tobacco program affecting your income potential (check one) ?

Negative/Major ___ Negative/Minor ___ Positive/Major ___ Positive/Minor ___
 Not much ___ Uncertain ___

What three changes would you like to see in the tobacco program if it is to continue?

- (1) _____

 (2) _____

 (3) _____

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