

Mighty Link in the Marketing Chain

An often overlooked fact about agriculture's marketing system is that the farm gate swings two ways. It not only lets out farm products but also lets in the ingredients needed to produce those products in the first place.

And the inbound traffic is picking up. Latest estimates for 1973 show farmers bought

goods and services worth \$64.5 billion, up from \$23.6 billion in 1960 and from \$19.4 billion in 1950.

As a share of all materials used by farmers, purchased inputs increased from 42 percent in 1950 to about 65 percent in 1973.

This growing dependence on non-farm industries has prompted USDA economists to sharpen the focus on the farm supply sector in their research work. Inputs are now regarded as one of the three key subsectors of the food and fiber system along with the farm subsector and the product market subsector.

Together the three sub-

sectors had an output of approximately \$230 billion in 1973, including exports. The farm input industries accounted for over a fourth of the total.

What are these industries . . . how are they structured . . . and how does their performance reflect on farmers?

Starting with the manufacturers of farm machinery and equipment, they number about 1,500 firms. Yet this is a concentrated industry, with just seven firms producing half of the farm equipment. Machinery imports have compensated somewhat for this lack of competition.

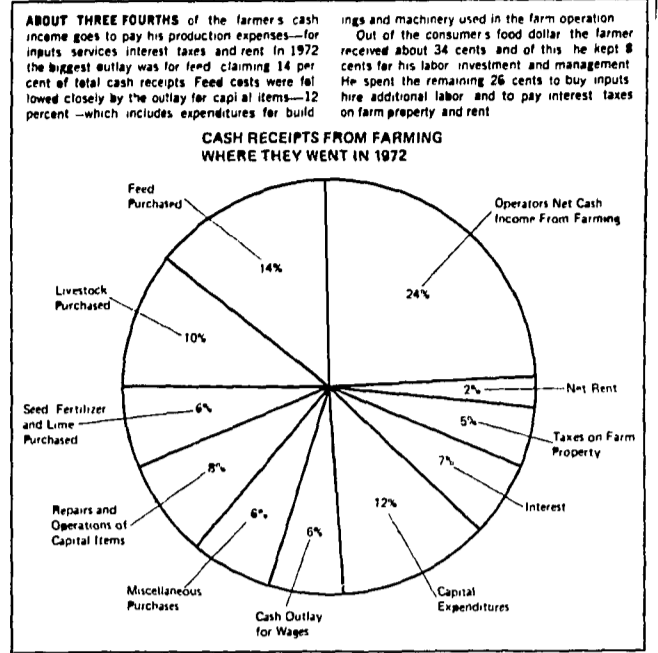
Nevertheless, some economists believe this industry could be more responsive to farmers' needs. There is room for improvement in manufacturers' pricing practices, supply strategies, and in the rate at which they release

technological advances to agricultural producers.

Machine's impact. Needless to say, farm mechanization has had a tremendous impact on farm productivity as well as on agricultural employment. The number of farmworkers including operators and their families, has declined by more than half since 1950. (The entire food and fiber system, however, still employs 16.5 million or about 20 percent of the total U.S. labor force.)

Turning to the fertilizer industry, competitive forces are quite strong, especially among the estimated 5,000 local outlets. But fertilizer manufacturers are hurting from the energy crisis.

Fertilizer makers require natural gas to produce ammonia for nitrogen fertilizers. Prices for nitrogen fertilizer can be expected to rise at an accelerating rate if



natural gas stays in tight supply.

Some of the price spurt, however, could be offset by greater efficiency. One study at Michigan State indicated fertilizer costs to farmers could be cut by as much as 25 percent through more efficient mixtures and distribution.

Problems in pesticides. Pesticide manufacturers also depend partly on petroleum but their big worry—not to mention farmers' concerns—is the stiffer guidelines and restrictions imposed on pesticide use. The regulation of chemicals by the Environmental Protection Agency and other Federal agencies will have a severe

impact on pest control and it will affect the usefulness of specific pesticides.

Feed concerns. Feed manufacturing, unlike other input industries, uses raw materials produced mostly in agriculture. Much of this feed is grown and consumed on the same farm. The portion of feed manufactured by a separate nonfarm industry, however, has been growing.

Feed firms currently number about 13,000 and the top 20 firms account for about 30 percent of industry sales. This is not a high degree of concentration but the majority of these 20 firms do business in relatively small geographic areas. [Continued on Page 54]

FOR SALE

TENN. MULES
OMAR F. STOLTZFUS
 2442 Creek Hill Rd
 Lancaster, Penna.

PUBLIC SALE
FARM MACHINERY, TOOLS,
HAY, CORN, BUTCHERING
TOOLS, ANTIQUES and
HOUSEHOLD GOODS
SATURDAY, MAR. 23, 1974
 at 10:00 A.M.

Located approx. 1½ miles north of Stewartstown off Rt. 24 on the corner of Ebaugh & Althouse School Roads, in York Co., Pa.

Farm Machinery
 Farmall M tractor; M.F. 50 tractor, M.H. #35 self-propelled 8 ft. combine, N.H. #271 pick-up baler; Oliver 13 disc drill; N.I. single row corn picker, J.D. 2 row 3 pt. hook corn planter, King Wyse 36 ft. elevator; N.H. corn drag; M.H. 7 ft. semi-mount mower; J.D. side delivery rake, M.H. 6 ft. chisel, 2 Ford cultivators; J.D. harrow, spike harrow; J.D. 28 disc harrow; cultipacker & roller, Oliver 3 pt. hook 2 - 14" bottom plows; Oliver 2 - 14" bottom trailer plow, N.I. manure spreader; Field-Force 3 pt hook weed sprayer; J.D. 2 row potato planter, Oliver 1 row potato digger; 2 Boggs potato graders, 2 Trexler potato cutters one with bagger, Brady roto-beater, Grove dump wagon; rubber tire hay wagon, Papec hammer mill; 60 ft. rubber belt; hay tedder, 2 hole corn sheller; PTO tractor grass seeder; onion seed sower; Circular wood saw; 3 pt. hook blade, Potato weeder; Sauder manure loader & bucket; platform scales; 275 gal. tank; oil drums, 40 ft. ladder, Int #45 vibra shank cultivators, 12 ½ ft. wide, Bush Hog disc harrow; 2 - 12" bottom Ford plow, 3 pt hook tractor carry-all; brooder stoves; cyclone seeder; 200 5/8 baskets; lots of burlap potato bags; grain bags; hedge clipper, wagon load or more of nuts, bolts, alum shovels & misc items.

Hay, Corn, Chickens & Equipment
 300 bales mixed hay; 400 bu. ear corn; 300 Leghorn chickens (good layers), egg washer & grader; chicken coops; feeders; fountains; & wire baskets.

Butchering Tools, Antiques & Household Goods
 2 iron kettles & 3 foots; stirrers, meat grinders, lard press; sausage stuffer; hog scrapers, lg. asst. of butcher knives; forks; dippers; ladles; meat saws; beef & hog spreaders; block & tackles, scalding trough; tubs; crocks & jugs of all sizes, butcher benches; vinegar barrel; 3 prong wooden fork; wooden rake; single & double trees; 2 pc cupboard with zinc lined bottom & glass doors on top; lg. iron skillet; griddle; barrel butter churn; butter prints & paddle; flat irons; wagon seat; milk cans; apple peeler; spool cabinet; lg. oak cupboard, canel back trunk; victrola & records; piano & bench; ball & claw stand; wash stands; dressers; oak ext table; oak chairs & rockers; baby bed; picture frames; pitcher & wash bowl set; antique dishes & glassware; old books; buffet; 3 pc. reed porch set; Majestic comb. electric & cook stove; lamps; old toys; store baskets; pots; pans; & many other items too numerous to mention.

Auct. note: Sale will begin with small items off wagon, farm machinery, hay, corn & chickens. Butcher tools & antiques last.

Terms: cash or approved check

W. Everett & Romaine Ebaugh
 R.D. #3
 Stewartstown, Pa.

Robert L. Sechrist, auctioneer Ph. 382-4379
John Hope Anderson, clerk

Not responsible for accidents
 Refreshment rights reserved

PUBLIC AUCTION
OF FARM EQUIPMENT
WEDNESDAY, MARCH 27, 1974
 AT 11:00 A.M.

Location: ½ mile North of Schaefferstown along Route 419, second farm on the left, Heidelberg Township, Lebanon County, Penna.

MASSEY FERGUSON 1080 DIESEL
 With Power Shift Wheels, Multi-power Transmission
 Power Steering and Cab

MASSEY FERGUSON 65 DIESEL
 With Power Shift Wheels and Power Steering

Ferguson 30 Tractor, Farmall Super A
 With Cultivator and Fertilizer Applicator

Massey Ferguson 880, 4-Bottom, 16-inch, Automatic Reset, Semi-mount Plow used one season; International 2PR 2-Row Pull Type PTO Cornpicker; Massey Ferguson No. 100 Industrial Loader with 2 Buckets, 1 Ford and 1 Skid Fork; Calhoun 8-Ton Chuck Wagon with 2 Beaters; John Deere No. 480 9-Foot Haybine; Massey Ferguson 3-Point Mower; International 5-Bar Side Rake; Two 707 Grove 7-Ton Flatbed Wagons; New Holland 77 Baler with Wisconsin Engine and Hydraulic Tension; Better-Bilt 880-Gallon Tank with PTO Vacuum Pump; Case 28-Foot Elevator with Motor; Harvest Handler 16-Foot Belt Elevator; Corn Drag.

494 4-Row Cornplanter with Insecticide Applicators; J&M Gravity Flow Bin; Farmec Gravity Bin; Massey Ferguson No. 160 Spreader with Single Beater; Ford 2-Row Rear Mount Cultivator; Tandem Axle Farm Trailer; John Deere KBA Disc Harrow with 28 Discs on Transport; Chattanooga Cultipacker with 18-inch Rollers; John Deere Van-Brunt Grain Drill with 13 Discs and Timothy Seed Attachments; John Deere 3-Section Spring Harrow; John Deere 3-Point Chisel Tool Bar; Century 3-Point Crop Sprayer with Poly Tank; EZE-Flow Fertilizer Drill; Rotary Mower without PTO Shaft; Holland 2-Row 3-Point Tomato Transplanter with Water Tanks; Stauffer 2-Row Tobacco Transplanter; John Deere 12-Foot Cultipacker with 18-inch Rolls; International 4-Bottom 16-inch 3-Point Plow; Wheel Weights for Ferguson 30.

WINPOWER 12 KW GENERATOR
 With Cord on Trailer; Lincoln 180 Amp Welder; Smith Portable Air Compressor; Lancaster Irrigation Pump with 3-H.P. Motor; Paul Portable Platform Cattle Scales; Weaber Silage Cart; 1,000-Gallon Tank; 550-Gallon Water Tank; 14x28 Tractor Chains; 11x28 Tractor Chains; 3-Gallon Sears Paint Tank with Hose and Nozzle; Air Tank; Grease Tubes; Oil Drum with Pump; 5-Gal. Aldrin 4EC, 36-inch Hay Drying Fan with 7½-H.P. 3-Phase Motor; Round Metal Hay Rack; 2 Range Turkey Feeders; 1,000 ¼-Bushel Tomato Baskets; Sauder Tobacco Hoers; Wisconsin Engine with Clutch; and many other miscellaneous items.

1965 Chevrolet ¾-Ton Flatbed Truck
 Sale time, 11:00 A.M.

Sale by
MARLIN L. MARTIN
 MYERSTOWN, R.D.2, PA. - 717-949-2064

John E. and Paul E. Martin, Auctioneers
 717-733-3511 — 733-3305
 Zimmerman and Hoover, Clerks
 Lunch Available

NOTE: Plan now to attend this Sale. This is a very good Line of Farm Equipment.

EASTERN SHORE
SHOWCASE SALE

March 23, 1974, 11:00 A.M., West Nottingham Sale Barn on Md. Rt. 276, Rising Sun, Md. Featuring 45 of the Best Registered Holstein Calves and Heifers.

4 R Maple, one from a VG cow w over 600f, another w 18,000m
 3 Elevation, one from a VG cow w 25,350m, 898f
 Nov Astronaut from a VG cow w 18,000m, 620f
 Golden Crocker from a G+ cow w 21,830m, 762f
 Apollo Rebel from a VG cow w 26,610m, 896f
 Ivan Connie from a cow w 15,730m
 Nunesdale Originator from a VG 88 cow w 660f
 3 Transmitter, two from a VG cow, one w 701f
 3 Charm, 2 Dams w avg over 17,390m
 VerLou Constellation from G+ cow w 1003f
 A Citation Sovereign from a cow w 18,210m
 Double Truene from a G+ 2 yr old w 535f
 Vee Matt from a G+ 2 yr old w 19,660m
 Paclamar Truene Complete w 521f
 Penn State Ivanhoe Star w 549f

For catalogs write Robert Knutsen, RD#1, Rising Sun, Md. 21911.
 Tested and Eligible for Interstate Shipment (303) 658-6325

C. H. WOLGEMUTH & SONS
ANNUAL ALL DAY
FARM EQUIP. SALE
SATURDAY, APRIL 6, 1974
at 9:30 A.M.

Located: 4 miles West of Manheim, Lancaster Co., Pa Take Hosler Rd. to Valley Rd. 1 mile W. of E. Fairview Brethren Church. Watch for sale signs.

TRACTORS, BALERS, COMBINES, HARVESTERS

Large equip. of all kinds, DAIRY supplies, Hardware, Tools, Hay and straw, Cousin with dry goods, anything for a large or small farm sold on commission, NOTICE - FARMERS and DEALERS, Market is strong on good machinery. Bring in your equip. early. Goods brought in last will be sold last. Open to receive goods from March 27 till sales day from 8 to 6. NO GOODS received Sat. morning, April 6 except by appointment. Lunch available - Closed Sundays. Advertising deadline March 29.

FOR INFORMATION CONTACT
C. H. WOLGEMUTH, Sale Manager
 Ph. 665-5664