

MARKETING AND PURCHASING DEMONSTRATIONS IN THE SOUTH



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TWO distinct and somewhat different things are now being described under the general term "demonstrations:"

- (a) An act performed by an extension worker with his own hands to illustrate an agricultural or home economics practice in the presence of persons who are expected to acquire the information.
- (b) An act or series of acts in the production or sale of a farm product performed by a farmer, or some member of his family, on his own place, or by a community, or group of farmers, or members of their families, for the purpose of perfecting themselves in improved agricultural practices, and at the same time assisting others to acquire the same information.

The difference lies in the fact that the first class of demonstrations is by the person giving the information; and the latter class, and much the more important of the two, is by the person acquiring the information.

Of all types and kinds of demonstrations, by far the most difficult are those in cooperative marketing and the purchase of supplies. Such demonstrations, as we shall see later, should always fall within the second type described above. They involve large undertakings, business skill and experience, and a fund of knowledge beyond that necessary for the ordinary demonstration of a purely productive character. They call for a very high quality of leadership on

the part of the extension worker. To influence a group of men to organize, to take personal and collective responsibility, to decide important business matters intimately connected with their collective and individual gain or loss, and to have the entire undertaking result ultimately in the true spirit of cooperation and in good business methods and successful operation, is a very difficult undertaking. Such demonstrations are the real challenge to county agents and specialists in marketing. The very difficulty of the task constitutes one of its attractive features.

From the very beginning of the demonstration work in the South, county agents and those who have supervised their activities have felt impelled to deal with the important problems of marketing and purchasing of supplies. In fact, almost every real demonstration has involved something of a marketing problem. In writing up the results of a 5-acre demonstration in corn, invariably the county agents and those interested in the demonstration set down the sale of the crop and the profit per acre as the index of its success. Corn club and pig club boys, canning and poultry club girls, have always been taught to sell their product, either individually or collectively. Most demonstrations which involve the production of crops or live stock are incomplete until the product has been marketed and the entire financial undertaking successfully finished.

RELATION OF COUNTY AGENTS TO MARKETING DEMONSTRATIONS.

County agents and specialists in marketing are employed as public officers, and their salaries are paid in part from funds of the United States Department of Agriculture, part from the State college of agriculture, and part from some source within the county. The county fund is frequently used by the agricultural college as an offset to Smith-Lever funds. The majority of such county funds are appropriated by the county taxing body and are therefore public funds. That they may be in some cases otherwise obtained does not vary the rule, because, as stated above, such other funds are generally used as an offset and are therefore subject to the same rules as other public funds, for such they become on account of their use.

Such public officers in extension work are employed to disseminate among the people useful and practical information on subjects relating to agriculture and home economics and to encourage the adoption of the practices advocated. The whole service is an educational activity intended to ascertain the needs of the farmers and their families, assess their problems, and bring to them such knowledge, information, and experience as have been acquired elsewhere. The law creating this service never intended extension workers to be employed for the purpose of saving farmers the cost of ordinary personal service.

At what stage the work of a county agent, in a demonstration of either character as suggested above, may become a matter of pure personal service is difficult to say. No fixed rule can be laid down. For example, the extension worker, either specialist or county agent, may show a farmer how to grade and pack fruit or vegetables for market. He may have to repeat the instruction a number of times before the farmer and other members of his family become sufficiently proficient to rely upon their own resources. If he continues the operation of assisting them in grading and packing beyond the point necessary to impart the information thoroughly it becomes mere personal service and the public funds are being used to employ a man free of charge for a farmer.

The same principle holds in demonstrations in marketing and purchasing. If groups of farmers decide to organize for the purpose of marketing their products or purchasing supplies it is the duty of the county agent and extension specialist in marketing to assist such farmers and give them all possible information regarding the best methods of organization and correct business practices for such organizations, to assist them in adopting a proper constitution, by-laws, and rules for the conduct of business, to furnish them with practical information and instruction in grading, standardization, methods of packing, shipping, etc., and in general to bring them information which will assist such groups of farmers to organize properly, to avoid mistakes, and to transact their business successfully.

Neither the county agent nor the specialist in marketing has the right to actually engage in business performed for

the farmer or for groups of farmers, except such as may be necessary for the sake of demonstration, and it is doubtful whether this is ever absolutely necessary. Conditions in various counties and in different sections vary widely. It may be necessary to do more under one set of circumstances than would be necessary under another set. The county agent and the specialist can not go far wrong if they stick to the rule that when they go beyond such service as may be absolutely necessary in order to put on a good demonstration, and perform a service, free of charge, which ought to be borne by the business itself, and would have to be so borne if the farmers transacted the business themselves, they are outside the field of educational activity and performing a personal service. As said before, qualities of leadership are here shown in their strongest contrasts. The able and resourceful leader never finds it necessary or advisable to perform mere personal service; the man lacking in these qualities often goes far afield and has difficulty in extricating himself after the situation has existed for some time.

The main object of extension work of this character is to establish activities which will endure and become self-sustaining. If this is not done, it is not a good piece of business and therefore not a good demonstration. If, after the demonstration has been carried out once, the enterprise fails because the county agent's time is occupied with other and important work, it is a sure indication that the work either should not have been begun or else that it was not well done.

WHEN SHOULD DEMONSTRATIONS IN MARKETING AND PURCHASING BE UNDERTAKEN?

This is a difficult question. Generally speaking, such demonstrations should not be undertaken unless the marketing of products and the purchasing of supplies are real problems in the community and in the county. Where the farmers are getting a fair price for their products, as compared with the prices at which buyers are passing them on into the trade, or in cases where merchants are dealing fairly with farmers in selling them supplies at cost, plus a reasonable profit, it is altogether probable that cooperative enterprises among farmers may not be able to improve existing methods of doing business. But there are some distinct and definite

business improvements which can be and often are brought about by cooperative enterprise, and which should be considered. Where cooperative effort among farmers will bring a definite improvement in the methods of doing business, and especially where the improvement produces a marked change in the price received by the farmer for his products, or the price paid by him for supplies, the cooperative effort is certainly warranted. In the following cases cooperation among farmers often improves the business methods, and, therefore, demonstrations in marketing and purchasing are warranted under these circumstances.

(1) Cooperative purchasing is generally done on a cash basis, in wholesale lots, and under such circumstances is an improvement over making purchases at retail prices on credit. Local dealers and merchants are often willing to furnish supplies to farmers at wholesale prices for cash on very close margins. Under such circumstances farmers' organizations will find it advantageous to deal through such local merchants.

(2) The sale of farm products in small lots to local buyers is generally done without grading and without any effort at standardization and without ever focusing any attention upon community standard or quality of the product. Cooperative marketing introduces means of proper grading and standardization and does focus the attention upon the quality of the product. Where products are produced without cooperative effort there is no opportunity to reach back into the problems of production and no preparation for a better profit through better methods of marketing. Experience shows that cooperative production, standardization, grading, and marketing generally improve the ordinary haphazard production and marketing.

(3) Farmers in some sections find difficulty in marketing their products, especially in disposing of them through local dealers. The spread between the price paid the farmer and the price received by the buyer may be abnormally large or even beyond all reason, as it is in some cases. Under such circumstances cooperative marketing and shipping of farm products constitute about the only solution of the problem.

Cooperative marketing and purchasing, then, are the best methods to be instituted, through demonstrations, where and

when there is a need for a better system of business to supplant a poorer system.

SOME EXAMPLES.

The object of this paper is to give a few specific examples of demonstrations in marketing and purchasing by county agents in the South, and to illustrate the difficulty of the task, with some explanation of the methods actually undertaken in the field.

PROVINCE OF SPECIALISTS.

The paper deals exclusively with the acts of the county agents, but the writer desires to set down here as a general principle that demonstrations in marketing and purchasing should not be undertaken by county agents without consulting with marketing specialists of the extension service.

MISSISSIPPI.

Cooperative marketing has had more attention from county agents in Mississippi than in any other Southern State, for the simple reason that marketing became the most important problem in that State. From the year 1910 to 1916 or 1917 the State underwent a rather important agricultural revolution. The acreage in cotton decreased 15.9 per cent, and the production of corn increased 42.6 per cent. The acreage and production of oats increased 150 per cent, and hay increased more than 200 per cent. Alfalfa, soy beans, cowpeas, and other forage crops were increased greatly. Lands thrown out of cultivation in some sections produced grass for the grazing of cattle. The increases in live stock from the 1910 census to January 1, 1919, were: Dairy cattle 27.7 per cent, other cattle 21.4 per cent, swine 76.6 per cent. There was also a great increase in sorghum, sweet potatoes, and other minor crops. The marketing of cotton was a well established and well-understood business, but the farmers of Mississippi found great difficulty in marketing these new farm products.

PRENTISS COUNTY.

In Prentiss County no cooperative marketing was done prior to the present organization. Buyers of farm products

purchased at their own price, and this was generally 25 per cent below the market value. Under such circumstances there was little inducement for farmers to diversify and to grow other crops for marketing. The county agent began to talk with the farmers regarding cooperative marketing in the fall of 1917. The farmers were hard to convince. Talk would not bring results; the situation required action. They had never had any experience and did not understand cooperative shipments.

By hard work the county agent got a number of farmers to load a car of corn, each farmer's contribution being weighed separately and the records kept by one of the banks. The price received was about 25 cents per bushel above local prices. The local price advanced immediately 25 cents a bushel. The cooperative shipments of corn were continued, but almost without any responsible organization. Farmers seemed to realize that by this method prices were being sustained at a higher figure. This experience led to an experiment in shipping a carload of hogs, with such marked success that the farmers were aroused to greater interest. All of this time there was a very loose and incomplete organization; in fact, the farmers might be said merely to organize for each shipment. As they had experience after experience in the new work the necessity of organization became apparent, and the Farmers' Cooperative Association of Prentiss County, Miss., was organized, with a complete corps of officers, a board of directors, and a regular marketing agent employed. The county agent is in no way officially connected with the organization. He often meets with the board of directors and advises and counsels with the officers of the association. This organization has had a volume of business during the last 12 months of more than \$250,000. One farmer instances bringing some hogs into town and being offered 11½ cents by a local buyer. He put them into one of the cooperative shipments and received 17½ cents for them. The merchants say that if this cooperative marketing were taken away from the farmers of that county there would almost be a revolution, such is its popularity. The merchants, bankers, and others are equally attached to the new plan. One farmer says that corn advanced on the local markets 20 cents, sorghum sirup 22½ cents a gallon, and hogs

from 2 to 4 cents per pound. From August, 1917, to August, 1919, bank deposits in one bank in this county increased from \$148,000 to \$317,000, and in another bank from \$221,000 in August, 1917, to \$482,000 in 1919.

This is a good example of a demonstration in marketing which began under great difficulties and gradually rounded out into a good organization.

LAFAYETTE COUNTY.

In Lafayette County the county agent found practically the same situation regarding the local prices of commodities other than cotton and took up the problem of demonstrations in cooperative marketing as early as December, 1916. The object of the demonstration was to show farmers that the existing system of marketing was inadequate and was one of the reasons why a better diversified system of farming had not taken a stronger hold in the county. In December, 1916, the county agent arranged for a cooperative shipment of hogs. There was no organization and little responsibility on the part of the farmers, but the car of hogs brought the best price ever secured up to that time by the farmers of the county, and general satisfaction was expressed by all those concerned. Many shipments, the total value of which ran up to \$75,000, were made under this haphazard and incomplete plan during the year 1917. The banks generally transacted the actual business, though the county agent in many cases did a great deal of the work himself. In each instance, such organization as existed was loose and indefinite, and little responsibility for determination of business policy and the like was undertaken by the farmers or any representative of the farmers, except in individual cases. The better prices had a marked effect.

As often happens, inevitably there came a time when business difficulties arose. Claims came back on shipments, refunds were demanded, and all concerned were convinced that the only solution was a definite organization founded upon good business principles, with thorough individual and cooperative responsibility. Early in 1918 an organization was formed known as the Farmers' Cooperative Marketing Association, with a constitution and by-laws, and arrangement was made for employment of a marketing agent and for a

marketing committee. The secretary of the association was paid a salary of \$100 per month to act as marketing agent. This salary was secured by deducting 1 per cent from the proceeds of hog shipments and 2 per cent from the proceeds of all other products. The fund thus secured was known as the "operating fund." During 1918 products worth \$165,000 were shipped by the association; from January 1, 1919, to July 1, 1919, \$224,000 worth. All hogs and other products are carefully graded before shipment. People of the county generally, and especially those belonging to the association, are greatly interested in and pleased with this organization. Bank deposits in the county increased from August, 1916, to August, 1919, from \$310,000 to \$911,000.

As a whole this is a good demonstration of progress from no marketing organization among farmers to one which assumed responsibility for all the business. The education of the farmer and progress toward a responsible organization were somewhat slow, but the result seems to have been obtained gradually and quite surely.

WINSTON COUNTY.

The progress in Winston County is interesting. Prior to the fall of 1916 no attempt at solving the marketing problem had been made. Cotton, of course, had a ready market. All other farm products were sold by the farmers individually to dealers, when they could persuade such dealers to buy. Cattle and hogs were bought at the dealer's own price. A carload of hogs had never been shipped out of the county. Ten hogs would glut the local market. Generally farmers were not growing hogs in excess of their own individual needs. Butchers in one of the principal towns of the county in the spring of 1916 were paying farmers 8 cents a pound for corn-fed hogs, killed, dressed, with heads and feet cut off. There had never been any cooperation among the farmers in this county, other than in the Noxapeter community. There an organization had been perfected during one season to grow and market a cabbage crop, resulting in a disastrous loss to the farmers, due to lack of wisdom in the entire plan. During the summer of 1916 the county agent asked the specialist in marketing of the State extension service to come to the county and talk on the subject of organization and

cooperative marketing. One of the specialists then assisted the county agent in the organization of six farmers' clubs. Men joined these clubs and put hogs on feed for future marketing. The first cooperative shipment of hogs resulted in such a great increase over prevailing local prices that the cooperative hog marketing business was relatively easy thereafter. In 1917 a county advisory board composed of members of the board of supervisors and four farmers from each district of the county was appointed for the purpose of assisting the county agent in his work. This organization, working with the farmers' clubs, has appointed a marketing committee which handles all of the marketing business transacted by the organization. The organization now in existence is called the Winston County Farmers' Market Association. From October, 1917, to October, 1918, this association marketed \$92,553 worth of farm products, and bought \$10,000 worth of fertilizers and seeds cooperatively. Up to August 1, 1919, they had marketed \$68,300 worth of farm products and purchased seeds and fertilizer valued at \$38,000.

This demonstration is a good one, though the organization has probably not reached the full stage of entire responsibility most desirable in such cases.

The deposits in the banks of Louisville increased from December, 1916, to December, 1918, from \$376,663 to \$581,183. Farmers and business men all seem delighted with the improved conditions brought about by this marketing enterprise.

These few examples are given to show the kind of work going on in Mississippi. Practically every county agent in the State is putting on some marketing demonstrations. In 1918 the total value of products shipped by farmers' organizations formed for demonstrations in marketing was \$3,396,183.

ALABAMA.

Alabama has undergone the same changes as Mississippi. The number of hogs, cattle, and dairy cows has increased in about the same proportion. There has been a distinct change in acreage, especially in the southern counties, where the cotton acreage and production has greatly decreased and the acreage and production of other crops increased accordingly.

In this State demonstrations in marketing have mainly been the arranging for "sales days." These sales days have been arranged for the selling of crops and live stock where the marketing problem became difficult, especially where the prices, under the existing system of marketing, were inadequate. For example, in 1918 a large acreage in Harrison County was planted to peanuts. When this crop was harvested and offered for market there was practically no demand for peanuts, and a number of farmers sacrificed their crops at relatively low prices, ranging from \$80 to \$90 per ton. They sought the county agent for relief. In March the county agent, in cooperation with the marketing specialist of the extension service, got in touch with buyers who were in the market for peanuts for the confectionery trade and for milling purposes. These buyers agreed to settle for peanuts bought from farmers on grades and weights established at the time of purchase. The county agent and the extension specialist assisted the farmers in grading. During the week ending April 5, 125 tons of peanuts were shipped out of the county at \$110 per ton, f. o. b. cars. During the next week 11 cars were shipped out on the same basis. The total sales for this week amounted to \$26,000. It is estimated that the saving to the farmers in these shipments was \$5,000. No definite cooperative organization was established for making these sales, but the farmers were enabled to dispose of their crops to better advantage through arrangements perfected by the extension service without the extension service finding it necessary to transact any of the business. The result was to demonstrate to farmers the advantages of a better system of marketing.

In south Alabama great attention has been paid to cooperative sales days for the sale and shipment of hogs. Prior to the establishment of this plan there was very little system in the sale of hogs and the prevailing prices were several cents lower than prices paid at larger points. The main difficulty was the small farmer who had much less than a carload lot, usually from 1 to 5 head. The county agent and the extension specialist in marketing arranged for sales days. The associations organized are composed of farmers who organize for the purpose of selling hogs on these sales days or shipping them direct to market as a cooperative shipment. The

farmers pay for the scales, and where pens are provided the farmers build and pay for the pens. They also pay for weighing and grading. A charge of 5 cents per head is made for weighing and there is a membership fee in the association of \$1. This money is generally paid for the scales and the pens. Thus far the county agent has generally cooperated with the associations in helping them fix the dates of shipment and has brought them the news service regarding market prices of hogs at central markets. On the sales days the hogs are weighed and graded and are then offered for sale, the association reserving the right to reject any bids. Notice of sales was given to local and packer buyers. If the bids are not satisfactory, the association proceeds to ship the hogs to the most advantageous market. The shipment is generally made in the name of a local bank and the returns are received by the bank and divided according to prearranged plans, the checks being mailed by the bank to the farmers interested.

The result has been that the farmers are not only able to get market prices for their hogs, but the buyers operating in that territory have had to pay close to the market price in order to handle hogs. Quite a number of these county associations have reached the stage where they operate without any assistance from the county agents.

LIMESTONE COUNTY.

The present county agent in Limestone County began work in September, 1914. At that time there were few hogs in the county and most of the meat consumed was shipped in. Ravages of hog cholera had practically wiped out the hog business of that county in 1913-14. The county agent spent the greater part of his time in 1914-15 in demonstrating the use of the antihog-cholera serum and in convincing farmers that by its use they could produce hogs profitably. In March, 1916, the county agent organized the first community better-farming association and during the balance of that year organized nine others. Each of these community organizations had an exhibit at the county fair. Six of them bought breeding stock cooperatively, five of the Duroc-Jersey breed and one Poland-China. The county agent

worked his boys' clubs through these associations and used the boys' club work in helping to introduce a better breed of hogs. Bankers assisted in financing the enterprise. One of these associations won the State first prize awarded by the Duroc Association for exhibiting registered Duroc hogs in 1917-18.

During these two years there was no surplus of hogs to be shipped out of the county, hence the marketing problem was not uppermost, but in 1919 this problem became critical. A county-wide association, known as the Better Farming Association, in which all of the clubs were affiliated, was organized in March, 1919. This association was quite similar to the farm bureaus in Northern States. Through community organizations the farmers shipped cooperatively 20 carloads of hogs during the year. At the first shipment in 1919, 70 per cent of the hogs were graded as No. 1. These hogs netted 18 cents a pound, or 4 cents more than the local buyers had been paying. The county agent is active in assisting the farmers in their demonstrations. They have been inexperienced in organization and the county agent has done more work than might otherwise be necessary, but the farmers are rapidly assuming responsibility, and as the marketing committee and the business manager assume greater responsibility the county agent will need to pay but little further attention to this enterprise. In this demonstration there was good organization for educational purposes, but the demonstration has rounded out into complete business responsibility rather slowly, mainly due to local circumstances.

Examples in Alabama could be multiplied, but these are sufficient to illustrate the working out of the general plan for demonstrations in cooperative marketing. Every county agent in the State is doing some work along this line.

TEXAS.

HENDERSON COUNTY FARMERS' COOPERATIVE SOCIETY.

In 1916-17 the county agent of Henderson County and the specialists in horticulture of the extension staff at the agricultural college put on a series of demonstrations throughout the county in pruning and spraying peach orchards. The growers who sprayed and cared for their fruit

received little encouragement from buyers in 1917. Although they had a better grade of fruit, they enjoyed no preference over "orchard run." The buyers said there was no market for fruit. They took it at prices ranging from 50 cents to a dollar a bushel. In the winter of 1917-18, after conducting a spraying demonstration on one of the farms in question, the subject of marketing was brought up, and the farmers announced that if they did not get better prices they would abandon their orchards and go out of business. Eighteen men were present at this demonstration. They organized the Henderson County Farmers' Cooperative Society, but the first real meeting for thorough organization of the business was held in June, 1918, with 46 men present. The business was actually begun that year with more than 100 paid-up members. A board of directors was appointed to handle the business of the society and a sales manager was paid a salary for handling the active business. The county agent assisted in this organization but did not have any official connection with it. He and the specialists of the extension staff gave the association every possible assistance regarding business management, grading, packing, marketing, accounting, and the like. During the season of 1918 this association sold 33 cars of peaches and 36 cars of melons and purchased 4 cars of oats, 2 cars of alfalfa, 1 car of cotton seed, 2 cars of peach baskets, and 1 car of fertilizer. They averaged from 50 to 75 cents a bushel more for their peaches than was received by other farmers in the local markets. Watermelons sold at \$75 a car more than local buyers were willing to pay. The total turnover of the society during the year 1918 was approximately \$125,000. In 1919 they shipped 144 carloads of peaches valued at something over \$112,000. The record of their shipments of other products has not been received. This organization has a very competent manager, and has adopted a broad policy which is bringing all of the farmers in the county into a fine cooperative organization. This was a well-managed and effective demonstration.

LIBERTY COUNTY EGG CIRCLE.

In Liberty County the county agent found the farmers' wives having very great difficulty in the marketing of eggs,

especially in the summer. The price was exceedingly low and the quality inferior. Believing this to be an important problem, he encouraged a group of farm women to organize the Dayton Egg Circle. These women were organized into an association with a secretary-treasurer, who was also the business manager. They adopted a standard trade-mark. Each egg was stamped with the number of the member as well as the trade-mark, and arrangements were provided on each farm for producing infertile eggs. Each member agreed to gather the eggs twice daily and follow instructions regarding the care and marketing of them. The association had 12 members to begin with and they had difficulty in getting two cases of eggs a week. From July 15, 1915, to the same date in 1916, the total shipments were 9,870 dozen, bringing in \$2,185, which was distributed among the members. From June, 1917, to June, 1918, they shipped 13,830 dozen. At that time they had 28 members. From June, 1918, to June, 1919, they shipped 29,377 dozen, bringing in \$8,975.91. Since the first demonstration the county agent and specialists have not found it necessary to devote any particular amount of time to assisting this organization. It is an excellent example of a good marketing demonstration.

WILLIAMSON COUNTY.

Two excellent pieces of work done in Williamson County are worthy of mention as good demonstrations.

COOPERATIVE SALE OF WOOL.

In quite a number of counties in west Texas sheep and goat raising is important, but the county agents found it suffering because of lack of system in marketing. The wool of that territory was generally bought in small lots by local buyers at prices much below prevailing market prices, as was shown by this demonstration. The result was to discourage production. In 1918, for example, the county agent in Williamson County, assisted by the specialist in sheep production of the extension service, organized the Williamson County Sheep and Goat Breeders' Association, the objects of which were, first, advancement of education along lines of feeding, breeding, and management; second, cooperative marketing of lambs, fat sheep, and breeding stock; third,

cooperative marketing of wool and mohair; fourth, buying of breeding stock and cooperative use of valuable rams. The membership of the organization in Williamson County decided to market their mohair cooperatively, and approximately 48,600 pounds of wool and 4,500 pounds of mohair were gathered in a public warehouse in Georgetown and a special sales committee was appointed by the executive committee of the association to receive bids from local dealers. All such bids were turned down because of the knowledge gained by the association of prevailing market prices elsewhere. One local buyer called up over 30 of the local growers of the county, trying to buy their wool separately from the association. This wool was sold by the association to a Boston firm at an average price of 65 $\frac{3}{4}$ cents a pound, while local dealers offered an average price of 50 cents. The mohair sold for 77 cents a pound, while local buyers made no bid on mohair at all. This is an excellent demonstration of good organization and good marketing business. Thirteen such organizations were perfected in Texas in 1918, and over 650,000 pounds of wool were handled by these associations at an estimated increased profit of \$60,000 above local dealers' prices.

EMERGENCY PURCHASE OF FEED.

The year 1918 was the culmination of three years of disastrous drought conditions in Texas. The amount of feed produced in the State, especially in the central and western portions, was totally inadequate for local needs. Local prices were abnormally high and it became necessary for the Government to establish a market news service to assist farmers in that territory in locating supplies of feed. Wherever possible, local dealers handled the business for local groups of farmers.

What was done in Williamson County is a fair sample of what was done in many other counties. The county agent simply furnished the Government news service for the benefit of the farmers of the county. There were in Williamson County quite a number of community organizations of farmers working with the county agent in a manner similar to groups of farmers in Northern community organizations under the farm bureau system. These groups were dealing

with educational problems in the main by using their secretaries and with the advice of the county agent transacting the business through local banks or through local feed dealers where such feed dealers were willing to handle the business of such groups of farmers on the basis of the cost plus a reasonable commission for transacting the business. This was the plan of doing business. In this manner something over 200 carloads of feed were brought into the county for the purpose of sustaining live stock on the farms. In addition 16 carloads of planting seed were also bought cooperatively by these associations. The county agent did not transact any of the business of these concerns, but simply put them in touch with the market news service and with banks. The market news service gave them information regarding the location of carloads of feed of various kinds which could be bought and the prices asked for the same f. o. b. point of origin. The business was transacted between the local banks and the banks at point of origin, except where circumstances made it possible to use dealers at both ends of the line. The saving in corn was from 5 to 15 cents per bushel, cottonseed meal 15 cents a sack, oats 15 cents a bushel, and the average saving in hay \$4 a ton.

It is true that this demonstration was possibly somewhat temporary in its character, and yet the education and experience gained by the farmers over a large territory in west Texas through these cooperative purchasing efforts in 1918 left them much better prepared than ever before to deal with their ordinary business affairs. The experience gained in a somewhat loose organization for a temporary purpose is reflected in a general increase of better grading, better marketing, and better methods of purchasing supplies.

This emergency work was done in quite a large number of counties, in many of which local grain dealers rendered important service by selling on a wholesale basis plus a small profit to groups of farmers who were trying to meet the peculiar emergency which they were facing. The total number of carloads of feed purchased in this manner in Texas ran up to 4,871, and the total saving, including a half-rate on freight conceded to them by the Railroad Administration, was approximately \$785,543.

These few illustrations have been given merely as examples of a large amount of work of county agents in the Southern States in dealing with the difficult problems of marketing and purchasing. The most important lesson to be gathered from these examples and from a study of all the experiences of county agents in the South in the last 10 years is that responsible and efficient organization and management are necessary to the success of all such activities. Some county agents seem to think it possible to do marketing without organization, but experience shows that, sooner or later, the absolute business necessity of a responsible organization becomes apparent and the entire effort fails unless this is provided. Experience also shows that education and demonstration make organization possible. A responsible organization is the key to a good demonstration in marketing or purchasing.

The total value of products sold or purchased in marketing and purchasing demonstrations, in which was included the annual turnover of organizations of farmers fostered and encouraged by county agents during the year 1918 for the purpose of purchasing supplies or marketing farm products, was as follows:

Purchase of fertilizers, lime, etc., amounting to 64,382 tons, valued at \$1,906,122, exclusive of nitrate of soda, handled by county agents under war provisions in the Department of Agriculture; cattle marketed in cooperative shipments valued at \$1,340,294; swine marketed in cooperative shipments, \$2,749,948; corn, wheat, and other grain marketed, 1,395,960 bushels, valued at \$1,590,448; miscellaneous agricultural products marketed, valued at \$2,631,985. The grand total of the value of the marketing and purchasing effort of organizations fostered by county agents and put on at first as demonstrations, from figures made on the annual turnover of such organizations following such official demonstrations, was \$17,156,232 for the year 1918. It is estimated that the saving to farmers averaged 16 per cent, or approximately \$2,834,067.