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COMMERCIAL VEGETABLE MARKETING IN KENTUCKY - 1957

(Seven Selected Areas)

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Marketing information and data for commercial vegetables were gathered from seven selected vegetable assembly markets in Kentucky. The attached Kentucky map (Fig. 1) indicates the general production areas that were the basis for this report. ^{1/} Of the commercial vegetable markets in Kentucky in 1957, these seven were selected because (1) reliable marketing data were readily available, (2) the assembly market generally dominated the vegetable marketing for the area, and (3) they were assumed to represent a cross section of commercial vegetable marketing in Kentucky.

Kentucky farmers have been seeking additional cash crops to supplement their incomes. Hence, in recent years, an interest in commercial vegetable production has been evident and currently appears to be on the upgrade. Some of the areas that had been in commercial production prior to 1957 not only increased their output of old products but added new ones. In addition, new areas with a substantial volume of commercial vegetables appeared in 1957.

Produce sold by the seven markets in 1957, in their order of financial importance, were tomatoes, sweet corn, green beans, cabbage, sweet peppers, and cucumbers. Sales of vegetables through the seven markets in 1957 were primarily to the fresh market; hence, 95 percent of the dollar volume went to fresh-market channels. The remainder went to processing. However, recent interest by processing companies indicates a potential outlet for more vegetables grown for processing in Kentucky. These seven markets sold the above-mentioned vegetables for a total of \$248,000. ^{2/} Of this, \$66,000 went for local marketing expenses, and \$182,000 was take-home money to the farmers to cover their on-the-farm costs and returns to labor. The farmers in the areas benefited by additional cash income, and some part-time local employment was provided.

Those in the commercial vegetable business should strive for a uniform, standardized, and a consistent-quality product. Quality is one factor that needs close attention if Kentucky farmers are to obtain and hold an outlet for their products. Too, the spread between a fancy or Number I grade and a cull or unclassified grade is generally great enough that it often spells the difference between a successful operation and a loss. Frequently an unclassified or cull product will not recoup marketing costs and cost of container, notwithstanding the on-the-farm costs of production. One of the local markets showed a 4.8 cents per pound difference in the take-home price between Number I and unclassified tomatoes. This difference is significant, considering the average take-home price per pound for the seven markets in the state was 5.4 cents per pound.

^{1/} Letters designate the counties in which the local assembly market was located.

^{2/} Refer to Fig. 1 to determine which vegetables were sold by each market.

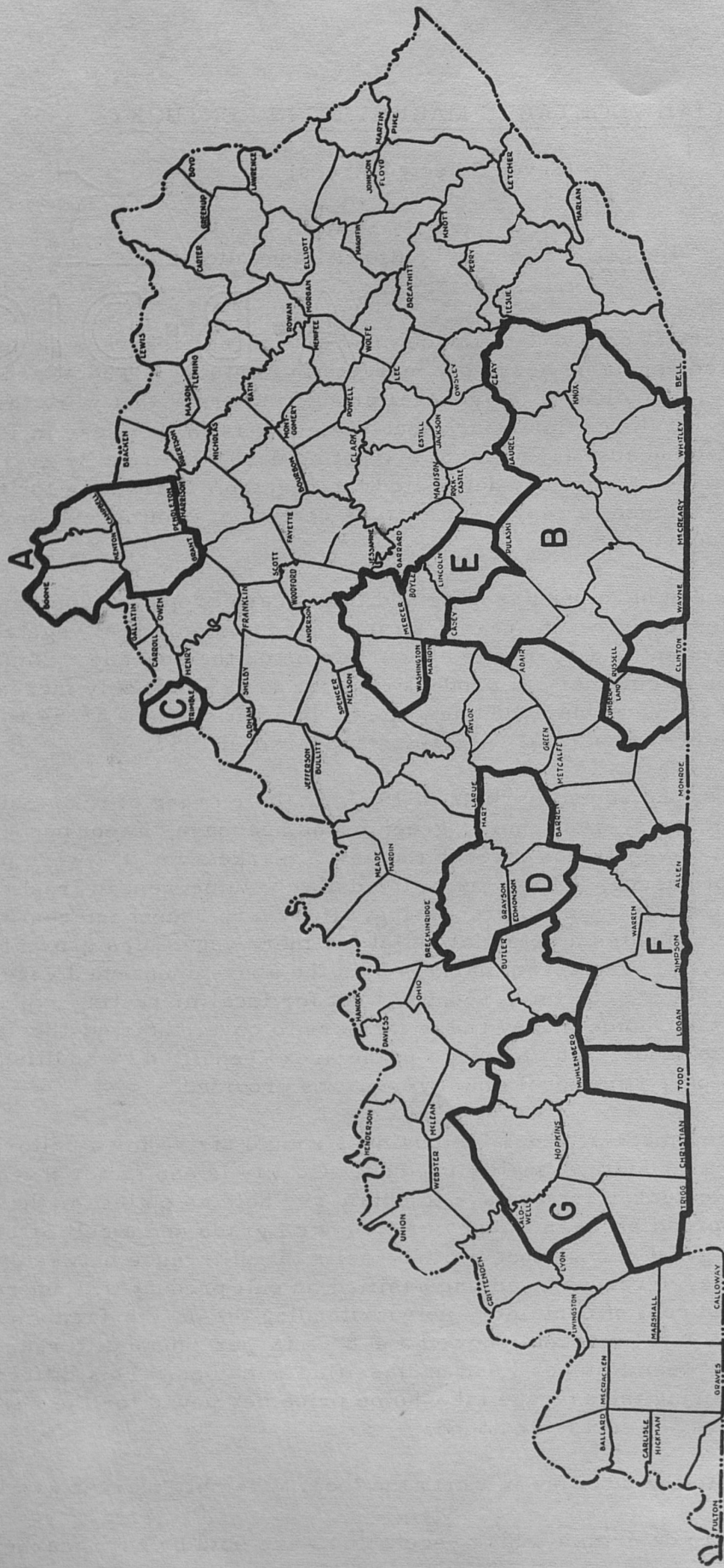


Fig. 1. - Seven commercial vegetable areas in Kentucky - 1957.

The remainder of the report is a discussion of each of the major commercial vegetables marketed. The discussion of each includes the volume of sales, total take-home money to the farmers, average take-home price, and cost of marketing. In order to conceal identity, the range is not given when only two markets handled a product.

TOMATOES

Tomatoes were the most important single product in terms of total take-home money to the farmers. They were marketed commercially by six of the seven markets in 1957. These markets sold 1,312,820 pounds of tomatoes for a total of \$70,804.29 after all costs of marketing including cost of containers were deducted. This was an average take-home price of 5.4 cents per pound to the farmers for their on-the-farm costs of production and returns to labor. Take-home prices ranged from 3.5 to 7.1 cents per pound, by markets.

Tomatoes were marketed in 8, 10, 20, and 30-pound containers. The average cost of marketing at these local assembly markets for tomatoes was about one cent per pound. Cost of marketing ranged from two-tenths to 1.6 cents per pound, by markets.

SWEET CORN

The year 1957 was the first year that Kentucky farmers showed a pronounced interest in sweet corn as a commercial cash crop. Sweet corn was sold by two of the seven markets in 1957. These markets sold 304,670 dozen ears of sweet corn for a total of \$56,325.88 after all costs of marketing including cost of containers were met. This was an average take-home price of 18.5 cents per dozen ears to the farmers for their on-the-farm costs of production and returns to labor.

Sweet corn was marketed in both crates and bags containing 5 dozen ears per container. The average cost of marketing sweet corn at these local assembly markets was 15.2 cents per dozen ears.

GREEN BEANS

Green beans were sold by four of the seven markets in 1957. Farmers sold in these markets 24,442 bushels of green beans, for a total of \$36,517.74, take-home money, after all costs of marketing including cost of containers. Approximately one-half of the green beans were sold on the fresh market and one-half to canneries. Beans sold on the fresh market returned an average take-home price of \$1.69 per bushel to the farmers for their on-the-farm costs of production and returns to labor. Take-home prices ranged from \$1.11 to \$1.87 per bushel, by markets. Beans sold to canneries returned an average take-home price of \$1.29 per bushel to the farmers.

Green beans were marketed in both one-half bushel and bushel containers. The average cost of marketing at these local assembly markets for fresh beans was 12.0 cents per bushel. Cost of marketing ranged from 6.7 to 16.3 cents

per bushel, by markets. The average cost of marketing for process beans was 35.9 cents per bushel, about three times the cost for fresh beans.

CABBAGE

Cabbage was sold by three of the seven markets in 1957. These markets sold 594,440 pounds of cabbage for farmers, for a total of \$9,783.49 after all costs of marketing including cost of containers. This was an average take-home price of 1.6 cents per pound to the farmers. Take-home prices ranged from 1.4 to 2.3 cents per pound, by markets.

Cabbage was marketed in 40-pound crates, 50-pound crates, and 50-pound bags. The average cost of marketing at these local assembly markets for cabbage was 0.18 of a cent per pound. Cost of marketing ranged from 0.11 to 0.20 of a cent per pound, by markets.

SWEET PEPPERS

Sweet peppers were sold by four of the seven markets in 1957. These markets sold 5,337 bushels of sweet peppers, for a total of \$6,836.21, take-home money, after all costs of marketing including cost of containers. This was an average take-home price of \$1.28 per bushel to the farmers. Take-home prices ranged from \$1.17 to \$2.24 per bushel, by markets.

Sweet peppers were marketed in bushel basket containers in 1957. The average cost of marketing at these local assembly markets for sweet peppers was 6.0 cents per bushel. Cost of marketing ranged from 5.0 to 18.7 cents per bushel, by markets.

CUCUMBERS

Cucumbers were sold by two of the seven markets in 1957. Farmers sold 625 bushels of cucumbers through these markets, for a total of \$1,032.60 after all costs of marketing including cost of containers. This was an average take-home price of \$1.65 per bushel to the farmers for their on-the-farm cost of production and returns to labor.

Cucumbers were marketed in bushel basket containers in 1957. The average cost of marketing at the local assembly markets for cucumbers was 7.2 cents per bushel.