FROM THE DIRECTOR
BUREAU OF THE CENSUS

We need your help in completing this report on contracts and agreements which are used for the production and marketing of selected agricultural products. In order to minimize the reporting burden on the Nation's farmers, this request is being mailed to only a sample of the farming operations which were included in the 1974 Census of Agriculture. Since your operation is among the sample selected to represent all contractual arrangements, your response is very important to the successful completion of the survey.

Specialized information is needed about the extent and use of production and marketing contracts in our Nation's agriculture. At present, little is known about the characteristics and types of arrangements and the effect they have on individual farming activities and marketing.

Please complete this report form for any contract or agreement you had in 1977. Most questions on the report can be answered readily by marking a "Yes" or "No," making an "X" in an appropriate box, or reporting estimates and percentages where actual figures are not readily available. We ask that you reply within 7 days; a preaddressed envelope is provided for your convenience.

The Contract Survey is part of the 1974 Census of Agriculture program which is required by title 13, United States Code, and is being taken in cooperation with the Economic Research Service of the U.S. Department of Agriculture which will use statistical totals in its work. Accordingly, under provisions of this title, your individual response is required by law and must be kept confidential, and will be seen only by sworn Census employees.

Your cooperation in helping us to complete the survey economically and quickly is most appreciated.

Sincerely,

MANUEL D. PLOTKIN

Enclosure
**Section I**

1. In 1977 did you have any CONTRACT or BINDING AGREEMENT to produce or market any FATTENED COWS on this farm or ranch?  
   Include only oral or written agreements made more than 30 days prior to delivery. Do not include futures contracts traded through organized commodity exchanges.

2. Mark (X) the box that most closely describes your fattened cow operation.

**Section II - TIMING OF CONTRACT AGREEMENT**

Mark (X) the box which best applies for questions 1 through 5 below.

<table>
<thead>
<tr>
<th>Code</th>
<th>Before production started</th>
<th>During production period</th>
<th>At delivery or within one week</th>
<th>After the product was marketed</th>
<th>Not applicable</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

**Section III - TERMS OF CONTRACT**

Listed below (items 1-12) are various items which are involved in production and marketing of fattened cattle.

Mark (X) the appropriate columns for questions A and B.

<table>
<thead>
<tr>
<th>Code</th>
<th>Contractor only</th>
<th>You, the producer</th>
<th>You and contractor jointly</th>
<th>A producer organization</th>
<th>Yes</th>
<th>No</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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</tbody>
</table>

**Section IV - Who FURNISHES the PRODUCTION ITEMS listed below?**

Mark (X) the appropriate columns for questions A-D for each item.

<table>
<thead>
<tr>
<th>Code</th>
<th>Code</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>015</td>
</tr>
<tr>
<td>2</td>
<td>016</td>
</tr>
<tr>
<td>3</td>
<td>017</td>
</tr>
</tbody>
</table>

A. Does item apply? B. Does contract specify who furnishes item? C. What percent of item is furnished by — D. How did you pay for items furnished by the contractor?

<table>
<thead>
<tr>
<th>Yes</th>
<th>No</th>
<th>Yes</th>
<th>No</th>
<th>Yes</th>
<th>Contractor</th>
<th>No charge</th>
<th>Open account</th>
<th>Cash on delivery</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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</tr>
</tbody>
</table>

**E. Did the contractor provide any additional financial assistance (including cash advances) that was not related to the specific inputs listed above?**

| 1    | Yes - Specify kind |
| 2    | No                 |

**NOTE:** If you had fattened cattle contracts with more than one contractor in 1977, direct your responses to the contract that represents the LARGEST QUANTITY of your production.
### Section V - Payment Determination

**1. How was the payment you received from the contractor determined?**

Mark (X) one box.

- [ ] Open market price at time of delivery
- [ ] From open market price at time contract was entered into
- [ ] From futures market price
- [ ] From price negotiated by the contractor when he sells the product
- [ ] By negotiation with contractor - not based on any quoted or market price
- [ ] Value of production items and services furnished by you
- [ ] Set by contractor without negotiation
- [ ] Other - Specify

**2. What was the price you received based upon?**

- [ ] Live weight basis
- [ ] Carcass weight basis

### Section VI - Origin of Contract

**1. How long have you grown fattened cattle under contract?**

- [ ] 1-5 years
- [ ] 6-10 years
- [ ] More than 10 years

**2. How long have you grown fattened cattle for your present contractor?**

- [ ] 1-5 years
- [ ] 6-10 years
- [ ] More than 10 years

**3. Were there any other cattle contractors available with whom you might have negotiated?**

- [ ] Yes - Complete 3a and 3b
- [ ] No - Skip to question 4
- [ ] Don't know - Skip to question 4

- **a. Do you know the key provisions of the contracts they offered?**
  - [ ] Yes
  - [ ] No

- **b. Did you negotiate or bargain with more than one contractor?**
  - [ ] Yes
  - [ ] No

**4. Would you have grown fattened cattle without a contract?**

- [ ] Yes
- [ ] No

### Section VII - Contract Provisions for Variation in Number or Quality of Fattened Cattle Produced

Listed below are consequences that may have been faced when the number and/or quality of fattened cattle produced was different from that specified in the contract.

**A. If number of cattle produced had been LESS than called for by the contract**

- [ ] 1. The contractor would have accepted the cattle delivered as fulfillment of the contract...
- [ ] 2. I would have made a cash payment to fulfill the contract...
- [ ] 3. The contract would have been invalidated...
- [ ] 4. The contract included a "Natural disaster" or "Act of God" clause which would have eliminated or reduced the obligation to deliver or produce cattle because of factors beyond my control...
- [ ] 5. There was no provision to cover this situation...
- [ ] 6. Other - Specify...

**B. If number of cattle produced had been MORE than called for by the contract**

- [ ] 1. No additional payment would have been received for the excess production...
- [ ] 2. The excess would have been sold on the open market...
- [ ] 3. I would have received a reduced price or payment from the contractor for the excess production...
- [ ] 4. The excess would have been offered to the contractor first, then sold on open market...
- [ ] 5. I would have received an incentive or premium payment from the contractor...
- [ ] 6. There was no provision to cover this situation...
- [ ] 7. Other - Specify...

**C. If the quality of cattle produced had been LOWER than called for by the contract**

- [ ] 1. No additional payment would have been received other than specified in the contract...
- [ ] 2. I would have made a cash payment to fulfill the contract...
- [ ] 3. No payment would have been received for inferior cattle...
- [ ] 4. The contract would have been invalidated...
- [ ] 5. The contract included a "Natural disaster" or "Act of God" clause which would have eliminated or reduced the obligation to deliver or produce cattle because of factors beyond my control...
- [ ] 6. I would have received a price or payment from the contractor based on the quality actually delivered...
- [ ] 7. The cattle would have been sold on the open market...
- [ ] 8. The cattle would have been offered to the contractor first, then sold on the open market...
- [ ] 9. There was no provision to cover this situation...
- [ ] 10. Other - Specify...

**D. If the quality of cattle produced had been HIGHER than called for by the contract**

- [ ] 1. No additional payment would have been received other than specified in the contract...
- [ ] 2. I would have received an incentive or premium payment from the contractor...
- [ ] 3. The cattle would have been sold on the open market...
- [ ] 4. The cattle would have been offered to the contractor first, then sold on the open market...
- [ ] 5. There was no provision to cover this situation...
- [ ] 6. Other - Specify...

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Section VIII - OTHER CONTRACT CHARACTERISTICS

1. Was the contract or agreement in writing? ................................................................. 101
   Code: 1. Yes, 2. No, 3. Don't know
   Yes  No  Don't know
   1  2  3

2a. If Yes in 2a, how many seasons or periods were covered? ........................................ 103
   b. If Yes in 2a, were you a member of the cooperative? ..................................................... 106

3. Did the contract or agreement specify a specific number of fattened cattle? ................. 104
   b. Was the contractor a cooperative? .................................................................................. 107

4. Was your product pooled with that of other producers before a final price or payment was determined? 105
   b. Was the contract or agreement associated with a joint venture between two or more cooperatives or a cooperative and another firm? 109
   b. If Yes in 7a, was your operation a part of this joint venture? ....................................... 110

5. Was the product under a market order? ............................................................................... 111
   b. Was the contractor assist you with supply, demand, and/or price outlook information? 112
   b. If Yes in 8a, was this your main source of market information? .................................... 114

6a. Was the contractor a cooperative? .................................................................................. 107
   b. If Yes in 6a, were you a member of the cooperative? ..................................................... 108

7a. Was the contract or agreement associated with a joint venture between two or more cooperatives or a cooperative and another firm? 109
   b. If Yes in 7a, was your operation a part of this joint venture? ....................................... 110

8a. Was a bargaining association involved in negotiating or implementing the contract? ......... 111
   b. If Yes in 8a, were you a member of this bargaining association? .................................... 112

9a. Did the contractor assist you with supply, demand, and/or price outlook information? 119
   b. If Yes in 9a, was this your main source of market information? .................................... 114

10. Were you generally satisfied with the production terms of your contract or agreement? .... 115

11. Were you generally satisfied with the marketing or price terms of your contract or agreement? 116

12. Do you plan to continue and/or expand the use of contracts or agreements in the production or marketing of your farm products? ................................................................. 117

Section IX - TYPE OR ORGANIZATION OF FARM BUSINESS AND FARM INCOME

1. What type of organization best describes your farm business? ...................................... 121
   Mark (X) one
      1 Individual or family operation (sole proprietorship)
      2 Partnership operation including family partnerships
      3 Corporation, including family corporations
      4 Other, such as cooperative, estate, or trust, etc.

2. What was the primary business of the contractor? .......................................................... 122
   Mark (X) one
      1 Pack or packer buyer
      2 Livestock dealer
      3 Other - Specify

3. What is the expected number you will produce and value of your sales of fattened cattle in 1977? ................................................................. 124
   a. Number produced without a contract ................................................................. None
   b. Number produced under contracts ............................................................................ 126
   No  $  0

4. What do you estimate the total gross value to be of all agricultural products sold from your farm or ranch in 1977? ................................................................. 129
   Mark (X) one
      1 $0,000 or more
      2 $10,000 to $99,999
      3 $10,000 to $99,999
      4 $10,000 to $99,999
      5 Less than $10,000

5. In your opinion what percentage of the fattened cattle grown in your area was sold or moved under contract during the years 1977, 1972, and 1967? ................................................................. 131
   Mark (X) one
      1 1977
      2 1972
      3 1967
      4 Do not know

   1977
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

   1972
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

   1967
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

   1977
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

   1972
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

   1967
      1 None
      2 Less than 25%
      3 25% to 49%
      4 50% to 74%
      5 75% or more
      6 Don't know

Section X - TERMINATION OF CONTRACT OR AGREEMENT

What situation best describes how you terminated your contract or agreement? ................. 141
   Mark (X) one
      1 Individual decision by me
      2 Group decision involving other producers or an organization
      3 Joint decision between the contractor and me
      4 Decision by the contractor

Remarks - If necessary use a separate sheet of paper

Section XI - PERSON COMPLETING THIS REPORT

Name - Please print

Date - Mo./Day/1977

Telephone

Form 14417 (8-22-77)