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
<table>
<thead>
<tr>
<th>Section I - In 1977, did you have any CONTRACT or BINDING AGREEMENT to produce or market any chicken eggs on this farm or ranch?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Include only oral or written agreements made more than 30 days prior to delivery. Do not include futures contracts traded through organized commodity exchanges.</td>
</tr>
<tr>
<td>1. Yes - Please complete this report form. See NOTE above section I before beginning.</td>
</tr>
<tr>
<td>2. No - Please complete sections X and XI and return form to Bureau of the Census.</td>
</tr>
</tbody>
</table>

**NOTE:** If you had egg contracts with more than one contractor in 1977, direct your responses to the contract that represents the LARGEST QUANTITY of your production.

<table>
<thead>
<tr>
<th>Section II - TIMING OF CONTRACT AGREEMENT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark (X) the box which best applies for questions 1 through 5 below.</td>
</tr>
</tbody>
</table>

### Before production started  
1. When was contract agreed upon or validated?  
2. When was price of product or payment agreed upon?  
3. When was part cash payment received?  
4. When is final cash payment received?  
5. When did contractor assume ownership of product?  

### During production period  
1.  
2.  
3.  
4.  
5.  

### At delivery or within one week  
1.  
2.  
3.  
4.  
5.  

### After the product was marketed  
1.  
2.  
3.  
4.  
5.  

### Not applicable  
1.  
2.  
3.  
4.  
5.  

<table>
<thead>
<tr>
<th>Section III - TERMS OF CONTRACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Listed below (items 1-13) are various items which are involved in production and marketing of eggs.</td>
</tr>
<tr>
<td><em>Mark (X) the appropriate columns for questions A and B</em></td>
</tr>
</tbody>
</table>

### A. Determine by? |

#### Code |
1. Quantity produced  
2. Place of pullets  
3. Breed of layer  
4. Amount of feed to be used  
5. Analysis of feed to be used  
6. Special type of equipment to be used  
7. Frequency and/or extent of disease, pest, and/or parasite controls  
8. Type of disease, pest, and/or parasite controls to use  
9. Flock rotation  
10. Production practices other than disease, pest, and/or parasite controls  
11. Rate of delivery of eggs to contractor  
12. Price terms  
13. Other - Specify  

### B. Were items 1-13 specified in contract? |

#### Code |
1. Yes  
2. No  
3.  
4.  
5.  

<table>
<thead>
<tr>
<th>Section IV - Who FURNISHES the PRODUCTION ITEMS listed below?</th>
</tr>
</thead>
<tbody>
<tr>
<td><em>Mark (X) the appropriate columns for questions A-D for each item</em></td>
</tr>
</tbody>
</table>

### A. Does item apply? |

#### Code |
1. Yes  
2. No  
3.  
4.  

### B. Does contract specify who furnishes item? |

#### Code |
1. Yes  
2. No  
3.  
4.  

### C. What percent of item is furnished by - |

#### Code |
1. Contractor only  
2. You and contractor jointly  
3. A producer organization  
4. Yes  
5. No  

### D. How did you pay for items furnished by the contractor? |

#### Code |
1. Cash on delivery  
2. Open account  
3. No charge  
4. Other - Specify  

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

#### Code |
1. Yes - Specify kind  
2. No  

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**FORM 742-A7!5 !11-20·771**
Section V - PAYMENT DETERMINATION

- How was the payment you received from the contractor determined?
  - [ ] Open market price at time of delivery
  - [ ] From open market price at time contract was entered into
  - [ ] Future 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

Section VI - ORIGIN OF CONTRACT

1. How long have you produced eggs under contract?
   - [ ] 1-5 years
   - [ ] 6-10 years
   - [ ] More than 10 years

2. How long have you produced eggs for your present contractor?
   - [ ] 1-5 years
   - [ ] 6-10 years
   - [ ] More than 10 years

3. Were there any other egg 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 produced eggs without a contract?
   - [ ] Yes
   - [ ] No

Section VII - CONTRACT PROVISIONS FOR VARIATION IN NUMBER OR QUALITY OF EGGS PRODUCED

Listed below are consequences that may have been faced when the NUMBER and/or QUALITY of eggs produced was different from that specified in the contract.

### A. If NUMBER of eggs produced had been LESS than called for by the contract

1. The contractor would have accepted the eggs delivered as fulfillment of the contract
2. There would have been no payment received for the excess produced
3. The contractor would have made a cash payment to fulfill the contract
4. The contract would have been invalidated
5. There was no provision to cover this situation
6. Other – Specify

### B. If NUMBER of eggs produced had been MORE than called for by the contract

1. No payment would have been received for the excess produced
2. The excess would have been sold on the open market
3. The contractor would have been offered the eggs as fulfillment of the contract
4. The excess would have been destroyed
5. The contractor 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 eggs produced had been LOWER than called for by the contract

1. The contractor would have accepted the eggs delivered as fulfillment of the contract
2. No payment would have been received for inferior eggs
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 orproduce eggs because of factors beyond my control
5. The contract would have been invalidated
6. There was no provision to cover this situation
7. Other – Specify

### D. If the QUALITY of eggs 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. The eggs would have been sold on the open market
3. The eggs would have been destroyed
4. The contractor would have received an incentive or premium payment from the contractor
5. There was no provision to cover this situation
6. Other – Specify
Section VIII - OTHER CONTRACT CHARACTERISTICS

<table>
<thead>
<tr>
<th>Mark (X) Yes, No, or Don't know for each item 1-12</th>
<th>Code</th>
<th>Yes</th>
<th>No</th>
<th>Don't Know</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Was the contract or agreement in writing?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2a. Did the contract or agreement cover more than one season or production period?</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>2b. If Yes in 2a, how many seasons or periods were covered?</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>3. Did the contract or agreement specify a specific number of eggs?</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>4. Were your product pooled with that of other producers before a final price or payment was determined?</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>5. Was the product under a State or Federal market order?</td>
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<tr>
<td>6a. Was the contractor a cooperative?</td>
<td></td>
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<tr>
<td>6b. If Yes in 6a, were you a member of the cooperative?</td>
<td></td>
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</tr>
<tr>
<td>7a. Was the contract or agreement associated with a joint venture between two or more cooperatives or a cooperative and another firm?</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>7b. If Yes in 7a, was your operation a part of this joint venture?</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>8a. Was a bargaining association involved in negotiating or implementing the contract?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>8b. If Yes in 8a, were you a member of this bargaining association?</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>9a. Did the contractor assist you with supply, demand, and/or price outlook information?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9b. If Yes in 9a, was this your main source of market information?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. Were you generally satisfied with the production terms of your contract or agreement?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>11. Were you generally satisfied with the marketing or price terms of your contract or agreement?</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>12. Do you plan to continue and/or expand the use of contracts or agreements in the production or marketing of your farm products?</td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>

Section IX - TYPE ORGANIZATION OF FARM BUSINESS AND FARM INCOME

<table>
<thead>
<tr>
<th>1. What type of organization best describes your farm business?</th>
<th>121</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark (X) one</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>2. What was the primary business of the contractor?</th>
<th>122</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark (X) one</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>3. What is the expected number sold and value of your sales of chicken eggs for 1977?</th>
<th>124</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number produced</td>
<td>TOTAL value received for 1977 production of eggs</td>
</tr>
<tr>
<td>------------------</td>
<td>-----------------------------------------------</td>
</tr>
<tr>
<td>a. Total number and value of eggs produced under contract</td>
<td>None</td>
</tr>
<tr>
<td>b. Total number and value of eggs produced without a contract</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>4. What is the expected total gross value of all agricultural products sold from your farm in 1977?</th>
<th>129</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark (X) one</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5. In your opinion what percentage of the chicken eggs produced in your area or neighborhood was sold or moved under contract during the years 1977, 1972, and 1967?</th>
<th>131</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. None</td>
<td>1. None</td>
</tr>
<tr>
<td>3. 25%-49%</td>
<td>4. 50%-74%</td>
</tr>
<tr>
<td>5. 75% or more</td>
<td>6. Don't know</td>
</tr>
</tbody>
</table>

Please skip to Section XI

Section X - TERMINATION OF CONTRACT OR AGREEMENT

<table>
<thead>
<tr>
<th>What situation best describes how you terminated your contract or agreement?</th>
<th>141</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mark (X) one</td>
<td></td>
</tr>
</tbody>
</table>

Remarks - If necessary use a separate sheet of paper

Section XI - PERSON COMPLETING THIS REPORT

<table>
<thead>
<tr>
<th>Name - Please print</th>
<th>Date - Mo./Day/1977</th>
<th>Telephone</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Form TR-72 (9-21-73)