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HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS TEXAS 75482

Meeting Folder

Statement by M. Lynn Chapman
President, Hopkins County Dairy & Cattlemen's Association
to the House Agriculture Subcommittee on Livestock & Grains
U. S. House of Representatives

December 10, 1974

Mr. Chairman and Members of the Committee, we appreciate this opportunity to discuss with this subcommittee, our problems and the urgent need for feed, for the preservation of our basic herds, which would be provided by H. R. 17208. We would have a large representation here but we cannot afford to feed our cattle, much less \$300.00 for individual trips to Washington.

I am M. Lynn Chapman, president of the Hopkins County Dairy and Cattlemen's Association. We now have over 500 members and have been organized less than four weeks. We represent and have members from all segments of the people. Besides cattlemen and dairy-men, our membership includes all interested people. Our interests are to protect the consumer as well as the producer because in the final analysis what is good for the farmer is good for the consumer and most of the people in Hopkins County understand this.

I own and operate Chapman Hereford Farm in Hopkins County, Texas. We raise commercial, F-1 and registered Hereford Cattle as our only source of income. My farm consist of 1260 acres of improved pasture, a portion of which has been owned and continuously operated by my family since 1851. In addition to producing slaughter and feeder calves, we produce registered Hereford bulls and replacement heifers for commercial cattlemen to use in upgrading their herds.

Gentlemen these are perilous times for the American Cattleman. If something is not done immediately there will be more cattle starve to death in East & Northeast Texas than any one can possibly realize. The people that I have talked with refuse to give their cattle away for dog food prices, when steak is selling for over a \$1.50 per pound. There is no way most of us can afford to feed our cattle properly this winter. It appears that most producers will hold their cattle and pray to God that they can survive with limited

or no feed. All long range weather predictions are for a wetter and colder than normal winter and this means dead cattle. If our Government continues to do nothing and we have a severe winter the over supply will probably be partially solved by as many as 10,000,000 starved cattle. This would be approximately an 8% loss and many people in our area feel that we will be very fortunate in East and Northeast Texas if our death loss does not exceed 12%.

H. R. Bill 17208 should have been in operation last month. It is of dire importance that this bill be properly amended and passed immediately. This bill should be related to the parity price for live calves and not milk. Weaning age calves are the primary product of most cattlemen. Therefore, the logical product to relate this bill to would be the parity price for live calves.

This bill should be revised to specify temporary emergency feed for the preservation of basic herds. We have had at least four Drouth Emergency Disaster Feed Programs in Hopkins County, Texas in the past 25 years. These programs resulted from natural disasters, drouth. The cattlemen of this nation now face a much worse man made disaster, which is primarily the results of actions by our Federal Government. Each time these programs were initiated, they were badly needed and served a very useful purpose for the preservation of basic herds. The financial needs and basic position of the cattle producers in our area is much more severe now than during any of the Drouth Emergency Disaster Feed Program years and the basic cow herds are in much greater danger of deterioration and possible starvation.

This program should be limited to the basic feed needs of the basic herds and should be designed so that it could not be used and or abused by cattle traders, speculators, and feed lot operators.

The program would probably be more feasible and cheaper to operate by offering financial assistance for the purchase of feed from local feed stores in place of requiring the government to purchase feed and then selling it in competition with local feed stores. I have discussed this type of program with the manager of our local Co-Op and it is his opinion that this would be a very workable and satisfactory program. Excessive delinquent accounts, resulting from the producers severe cost price squeeze, have placed many feed stores in a very precarious position and the last thing they need is government competition. A copy of Accounts Receivable for our local Co-Op is attached and it indicates the dire position of both the producers and feed stores.

This program should not be limited to the full time producer and there should be no requirement as to the amount or percent of agriculture income. Many of the producers in our area have full time 40 hour per week jobs and have a few beef cows for added



income. This program should not be denied them, for most of them are life long producers. Also, land and cattle values should not be considered if a financial statement is required.

The following is the USDA, Statistical Reporting Service, Agricultural Prices, parity prices for live calves.

	June	August	September	October	November (Est.)
Calves per CWT:	\$61.80	\$64.30	\$65.20	\$65.70	\$66.20

As you can see the parity price has been continually going up while the actual price is continually going down. In our area the November price for slaughter calves was \$17.50 to \$22.50 per CWT. This would place slaughter calves at approximately 30% of the parity price. The price for feeder calves was approximately \$12.00 to \$22.00 per CWT. This would place feeder calves at approximately 26% of the parity price.

The October parity price for milo was \$4.68 per CWT and \$2.74 per bushel for corn which is \$4.89 per CWT. The November selling price in our area was \$6.75 for milo and \$6.90 for corn per CWT. This places milo at 144% of the parity price and corn at 141% of the parity price.

When milo, corn and calves are related to parity prices this indicates that the present price for calves is less than 20% of the present price for corn and milo. This should indicate the immediate need for H. R. 17208 and obvious reason for relating feed to the parity price for calves.

I recently made the following statement to a USDA official, "For the past two years all actions and policies of the USDA and Federal Government have resulted in detriment to the American Cattlemen". After due consideration and discussion this official admitted that basically he would have to agree with me.

Through all of 1972 and most of 1973, the USDA indicated a national and world wide shortage of beef cattle and predicted that this shortage would continue and probably worsen for the next several years. All producers were encouraged to increase production and inventories. In March of 1973 President Nixon clamped a price freeze on domestic beef, but not on imported beef. He also removed all controls on imported beef and encouraged the flooding of our American market with imported beef with no controls or standards required. President Nixon, Mrs. Nixon, and many federal officials, discouraged beef in the family diet and encouraged other meat products and beef substitutes. President Ford and Mrs. Ford have continued this Nixon policy.

The beef freeze was finally removed in September 1973 and it immediately became apparent that the so called beef shortage did not exist and had never existed, for anyone knows that there is no way that you can go from a critical beef shortage to depressed over

supply in six months.

Gentlemen, the continued detrimental actions of our Federal Government should be immediately reversed and Congress is the only hope for the President and USDA have indicated that they will continue their do nothing policy. I urge you to began this reversal by the immediate approval and passage of H. R. 17208. When I say immediate, I mean passage by both the House and Senate during this session of Congress. We need feed now not next year. A DEAD COW DOES NOT NEED FEED.

Thank You,

M. Lynn Chapman

M. Lynn Chapman, President
Hopkins County Dairy & Cattlemen's
Association

I am submitting copies of my letter to President Ford, dated October 28, as part of my written testimony before this subcommittee. My letter was delivered to the President personally by Mr. Horace McQueen of Troop, Texas, during his October 30 visit to the White House as a member of a national livestock farm delegation. My letter was answered by a form letter from the USDA office of Communication, dated November 18, which indicated no personal reference to my letter except to state; "President Ford asked me to respond to your recent letter discussing the plight of the Cattlemen in today's depressed market".



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FARMERS CO-OP

COMPLETE "ONE-STOP" FARM SUPPLY STORE AND FEED MILL

P. O. Box 489

428 North Jackson Street

SULPHUR SPRINGS, TEXAS 75482

November 25, 1974

TO WHOM IT MAY CONCERN:

We have been asked to confidently report, for congressional purposes, the status of our Accounts Receivables as of November 1, 1974. Listed below is the pertinent information in this regard to be used only to help interpret the financial status of the beef and dairy farmer in our area. Ninety-eight percent of these accounts are with farmers involved in these livestock enterprises.

	NUMBER OF ACCOUNTS	DOLLAR VALUE OF ACCOUNTS
1. Total Accounts Receivable	1284	\$1,158,844.33
2. Total Accounts Current		638,073.56
3. Delinquent Accounts 30-60 days		88,603.15
4. Delinquent Accounts 60-90 days		52,360.04
5. *Delinquent Accounts Over 90 days		379,807.58

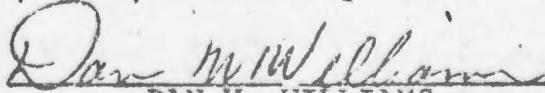
Of these delinquent accounts we have turned 207 over to collection agencies in the amount of \$240,483.71.

On November 22nd, we removed another 115 patrons from our eligible charge list because of delinquent accounts. If it continues at this rate for a very long time, I am sure you can see that our business will be in jeopardy.

I do hereby swear that this information was taken from our receivable records and that they are accurate to the best of my knowledge.


ROBERT THOMPSON, MANAGER

SWORN TO AND SUBSCRIBED before me, the undersigned authority, on the 25th day of November, 1974, to certify which witness my hand and seal of office.


DAN W. WILLIAMS

OWNED AND OPERATED BY FARMERS

Chapman Hereford Farm

M. LYNN CHAPMAN, OWNER
333 MERRELL DRIVE
SULPHUR SPRINGS, TEXAS 75482
PHONE 214/885-2066



KENNETH CLAYTON, HERDSMAN
ROUTE 3 (TIRA COM.)
SULPHUR SPRINGS, TEXAS 75482
PHONE 214/945-2624

October 28, 1974

President of the United States
Washington, D. C.

Dear Mr. President:

I am M. Lynn Chapman owner and operator of Chapman Hereford Farm in Hopkins County, Texas. We raise registered, F-1, and commercial, Hereford Cattle as our only source of income for us and our family. A portion of our land has been owned and continuously operated by members of my family since 1851.

I am a graduate Civil Engineer and a Registered Professional Mechanical Engineer. Due to a heart condition I could not qualify for employment after graduation from college in 1947. We operated my family farm from 1947 to 1953. Because of the extended drought and depressed cattle prices of the early 1950's, I went to work in engineering in February 1953 on a temporary basis and continued with the same company on a full time basis, for over eighteen years. During this time I continued to operate and purchase my family farm. In March 1971, I was seriously injured in a train-truck accident. While still in my recovery period, I was terminated by my company in September 1971. Since that time I have not been physically able to work in engineering and continue my cattle operation, but if the present conditions continue, I will have no choice but to attempt to work to support my family and cattle.

Although I have owned and produced cattle all of my life, like the four generations before me, our present registered and F-1 Hereford herd is based on two old registered Hereford cows which we purchased in 1951.

My wife and I, along with some fifty Hopkins County producers attended the protest rally in Stephenville, Texas, October 24. The main purpose of this trip was to meet with the Undersecretary of the U. S. Department of Agriculture, Mr. Phil Campbell and hear his recommendations and plans for



helping the American Cattlemen survive the severe cost-price squeeze. Mr. Campbells only recommendation was that we tighten our belts, cut our production costs, borrow more money through the governments guaranteed loan plan, and wait a year or two for conditions to improve. During a short discussion after Mr. Campbells speech, I attempted to explain to Mr. Campbell that my problem was not the lack of ability to borrow more money, but the lack of ability to repay the \$50,000.00 I have borrowed the past year for operating expenses and to operate in 1975 without continual borrowing for operation. Mr. Campbells only remark or recommendation to me was "IF YOU DO NOT LIKE THE CATTLE BUSINESS OR CAN NOT SURVIVE WHY DON'T YOU SELL OUT AND QUIT" My answer to your Mr. Phil Campbell was that my family had owned and operated our land for 123 years, and that I am not about to sell out and quit, and that my children will continue to own and operate this land after you, he and I are dead and gone.

If this is the only advice that an Undersecretary of Agriculture has for an American Farmer, then the Department of Agriculture is in a total state of deterioration and completely out of touch with the American Farmer. The Department should be completely reorganized including the elimination of Secretary Butz and all the people who follow his anti-farmer and pro-consumer stand.

There has been growing indication for some time that the USDA has been dedicated to the elimination of the family farm. This was further substantiated by the report, "Agriculture Finance Review", published last week by the USDA's Economic Research Service and written by Allen G. Smith and Kenneth R. Krause, agricultural economist in the USDA. A relatively few super farms are likely to dominate U. S. food and fiber production within 15 years, possibly leading to complete disappearance of small, family farms, Agriculture Department analysts say. Also, there is at least a possibility of large corporate farms taking over all such production by 1990.

Our Government is now encouraging the flooding of our American market with imported beef and dairy products with no controls or standards required. We have become a dumping ground for all of the unwanted beef and dairy products of the world, as we are the only major country without import controls on these products. It appears that this is another step to eliminate the family farm.

One of the very few positive statements that Mr. Campbell made was when I ask for a yes or no answer to the question, "Can the President completely stop meat imports today?" Mr. Phil Campbells answer was yes. Therefore Mr. President the Con-



tinued dumping of unwanted and improperly inspected meat and dairy imports is completely your responsibility!

The problems and crisis which our Country faces today are minor compared to the conditions that will exist if we continue our existing path and allow our agriculture and food supply to be completely controlled by a few powerful companies.

I trust in God that this will never happen!

Sincerely Yours,

M. Lynn Chapman

M. Lynn Chapman



HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS, TEXAS 75482



Statement by Mrs. M. Lynn Chapman (Mary Jane)
The House Agriculture Subcommittee on Livestock and Grains
U. S. House of Representatives

December 10, 1974

Gentlemen, I am the wife of a cattleman and I am submitting my testimony and grafts from our personal records which I presented to Texas State Representative E. L. Short and his committee on October 29, 1974, at a hearing of the Texas House Subcommittee on Agricultural Marketing and Processing in Sulphur Springs, Texas.

I would like to point out the Graph, "Exhibit A", which indicates the severe price decrease in the feeder calves which we sell. Indications are now that the price has and will continue to decrease to the extent that November and December can not be plotted below the margin on the extreme bottom of the page.

In this statement I referred to myself and my family as consumers, which we are consumers and each farmer in the USA is a consumer. So please bare this in mind. We are farmers and ranchers who need your help TODAY---for we are tax payers, who also pay your salarys. But--as we are only 5% of the people, who happens to feed the other 95%, we really don't count in some peoples language. Personally, I don't quite see why you can't protect the hand that feeds you, and part of the rest of the world as well. Have you ever thaught how you would feel if when you went out to eat, which I am sure you all do at some time or another. Like most men I am sure you all enjoy good steaks, and who doesn't. Stop and think how you would feel if that good steak was not there for you to buy, and gentlemen, if you do not do something soon the cattlemen are going to get out of the business and do something that they can make a return on their investment, time and work. When they go so do those good steaks.

The American farmer is not stupid for if they were they would not have been able to give you food cheaper and better than any other country in the world. So gentlemen, will you please get smart yourself and try to do something now to help the American farmer before it is too late and our country ends up like a big part of the world and can not feed themselves.



Our country was founded on the American farmer being the back bone of our country. It is a proven fact today that when they do under so will the rest of our country. The American farmer is only trying to make a small profit so he can stay in business, but with the give away programs and price freezes, the presidents wife recommending to cut down on eating beef and eat more fish, it all comes out to the fact that someone in Washington is sure making one hell of a mess of a very good industry which everyone enjoys their product. But, for any business to stay in business they have to operate in the black, not in the red. So gentlemen, it is time Washington woke up and did something to correct a few mistakes that have been made in the past few months.

One big way that you and Congress can help is to see that the revised Bill H. R. 17208 is passed and put into force in this term of Congress so the cattlemen can save their basic herds now and they want starve to death this winter and you can still have your good steaks tomorrow.

Thank you,

Mrs. Lynn Chapman
Mrs. Lynn Chapman (Mary Jane)



Chapman Hereford Farm

M. LYNN CHAPMAN, OWNER
333 MERRELL DRIVE
SULPHUR SPRINGS, TEXAS 75482
PHONE 214/885-2066



KENNETH CLAYTON, HERDSMAN
ROUTE 3 (TIRA COM.)
SULPHUR SPRINGS, TEXAS 75482
PHONE 214/845-2624

Gentlemen:

I am Mrs. Lynn Chapman from Sulphur Springs, Texas. I am a Beef Producer wife. We own and operate Chapman Hereford Farm, which a major part of this land has been owned and operated by our family for the last 123 years. We raise F-1, Registered Hereford and commercial cattle. Our object is to raise and produce better cattle to give the consumer better meat for a cheaper price. In addition to producing slaughter and feeder calves, we produce Registered Hereford Bulls and replacement heifers for commercial cattlemen to use in upgrading their herds.

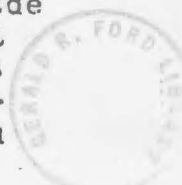
I am concerned today for the average American person and their food cost, for I am only an average American housewife who happens to be on the inside of the Beef Crises. I am also a consumer and I would like to take this opportunity to thank each of you for taking the time to study this problem. For it is a very big problem. I know for I as a housewife of a producer I am on both ends of the problem. First as a producer and then as a consumer.

We are one of the few families in our county that are trying to make our living on Beef Cattle alone. The Beef Business is in serious trouble and we need help today -- not tomorrow.

In our case alone we own and operate 1260 acres of land. When you have an investment of this size and cannot make a decent living, this is sad and something is wrong.

For the past 12 months we have had to borrow money to live on and to operate our Farm. At first we thought we were only just poor managers but we soon learned that this was not the case this time. Our banker told us just to tighten our belts and work harder, this we can do for we have seen several "LOWS" in the cattle business. But--this is not the answer to this problem at this time. Imports and exports are killing the small farmer now. You can work your fingers to the bone and still go under the way things are today.

They say raise your own feed-- Yes, you can if you have the set-up for it, but in our case as in many others -- do you turn permanent pastures into fields again. These kind of changes can not be made over night and it takes time and money to build a good permanent pasture. Also, most feed and grain are row crops and this takes completely different equipment to pasture equipment. New equipment also cost money and in many cases can not be obtained. You



do not make major changes such as these at a time like this.

One of the major problems with the cattle producers today is the cost of the items used on the farm. On the Horace McQueen show this morning he advised people using baler twine in baling hay to buy some now for next year it may be up as much as 380%. This is typical of the increases the farmers have to face everywhere they look---- and you can't grow baler twine or wire. Also, to grow pastures or grain you have to have fertilizer and as you all know fertilizer is up 250% and many, many times you can not buy the kind you need for your land at the time you need it.

Another problem is the one you are mostly concerned with today and that is what the producer receives for his cattle.

On this graft, Exhibit "A", you can see our price per hundred pounds of our weining calves that we have sold through our local Auction Barns for the last 3 years. This shows you the ups and downs of our operation. These charts, Exhibit "B" and "C", also indicates to you the data that the graft was taken from. These charts were made for our personal use, so please excuse their form. Exhibit "B", indicates the average weight, price per hundred pounds and unit price. Exhibit "C", indicates the total calves sold, total weight and total price received for each month. On Exhibit "A", the superimposed graft in black, indicates the average price received for the year indicated --- such as 1972 the average price per hundred weight was \$44.75, in 1973 the price was up to \$55.62 and through September of 1974 it was down to \$36.90 -- but this is a little misleading as we have not sold anything since June that averaged \$30.00 and I am sure the yearly average will be much lower. As you can see that Septembers average was \$20.32.

The price of bulk feed that we feed to our weined bulls has gone up from \$5.10 in July 27, 1974 to \$7.80 per hundred lbs. on October 24, 1974, that alone is \$2.70 increase. This is an increase of \$340.00 per month on one minor item alone. Yet this month our beef was down over 9¢ a pound.

As you well know the small farmer is a very large consumer and we do pay consumer prices just as you do. The price of our cattle are down and everything else is up yet we as consumers pay much more.

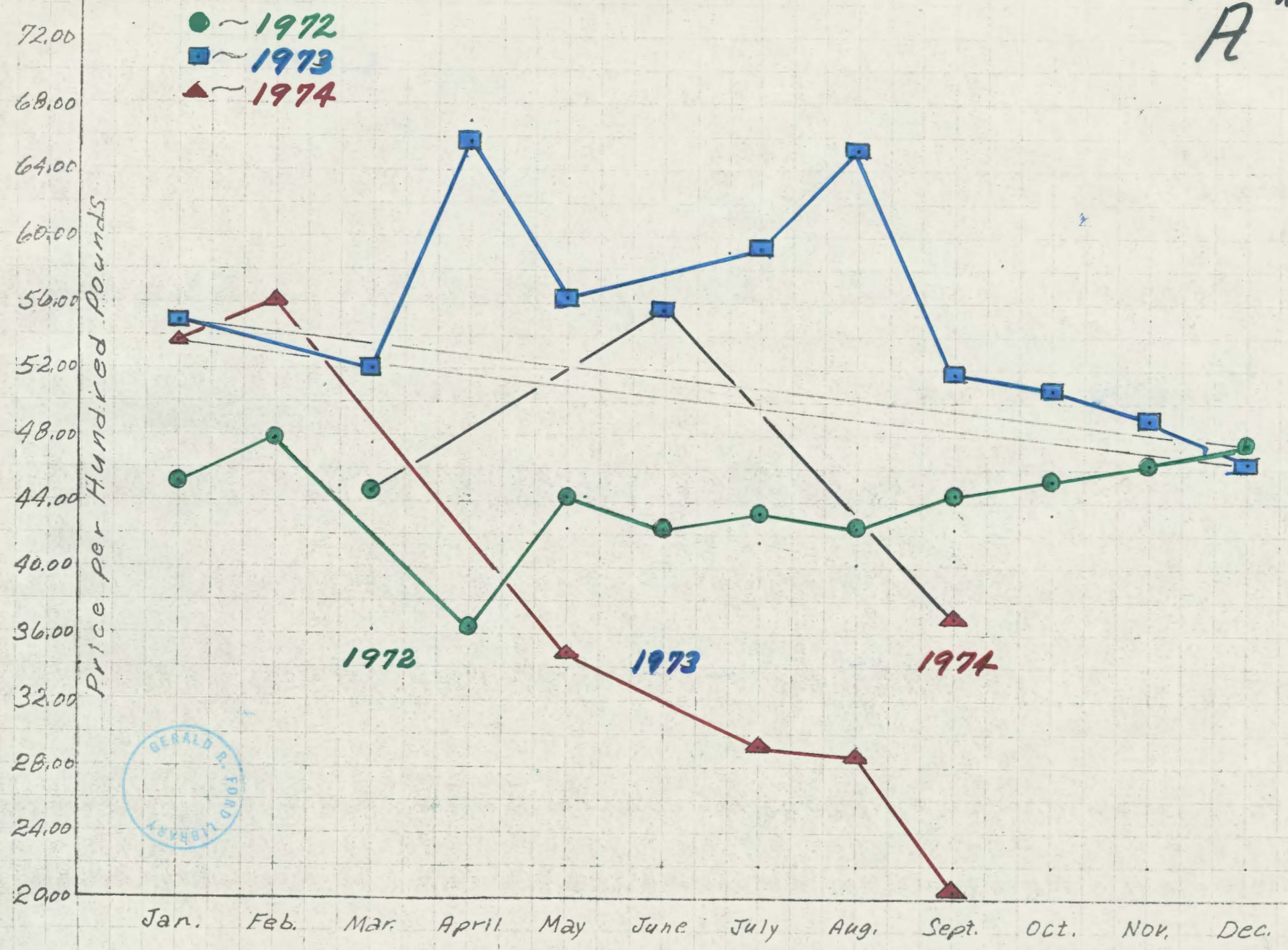
Good Luck on your study - Gentlemen - and thank you again for your help. Our goal is for everyone to make a fair profit, including us the American Farmer, but, we do not want someone else to make a mint at our expense.

Thank you,

Mary Jane Chapman
Mary Jane Chapman



"A"



Calves Sold Through Commission Co.

"B"

Month	1972			1973			1974		
	No.	Wt.	Total	No.	Wt.	Total	No.	Wt.	Total
Jan.	6	1,800	\$813.04	18	5,775	\$3,165.71	23	6,090	\$3,282.16
Feb.	10	2,770	1,323.84				14	3,480	1,951.80
Mar.				1	575	299.00			
Apr.	2	610	222.92	8	3,045	2,003.68			
May	2	735	327.60	10	3,885	2,184.35	5	1,910	666.67
June	3	1,215	517.14						
July	21	9,240	4,008.00	16	6,325	3,732.24	14	6,120	1,788.56
Aug.	17	6,625	2,801.43	17	6,465	4,221.92	12	5,005	1,445.48
Sept.	14	6,570	2,916.34	6	2,885	1,494.99	5	2,275	462.23
Oct.	26	11,700	5,307.35	10	4,410	2,239.06			
Nov.	20	8,140	3,772.68	12	4,180	2,051.02			
Dec.	11	3,495	1,660.32	17	5,575	2,592.75			
Total	132	52,900	23,670.66	115	43,120	23,984.72	73	24,380	7,180.90
Average	\$44.75	401	\$179.32	\$55.62	375	\$208.56	\$36.90	341	\$125.76

Cull Cows Sold Through Commission Co.

Jan.	1	820	186.14						
Feb.	1	930	237.15						
Mar.				1	990	307.89			
Apr.	1	870	213.15						
May	13	13,225	3,192.18						
June									
July	1	805	178.71						
Aug.				2	1,610	545.65	2	1,570	314.95
Sept.									
Oct.	2	1,915	473.44						
Nov.	4	3,370	804.12						
Dec.									
Total	22	21,935	5,284.89	3	2,600	853.54			
Average							\$20.06	785	\$157.48



Averages for Calves Sold Through Commission Co. C

Month	1972			1973			1974		
	No. Weight	Price Per Lb.	Price Per Unit	No. Weight	Price Per Lb.	Price Per Unit	No. Weight	Price Per Lb.	Price Per Unit
Jan.	⁶ 300	\$45.17	\$135.51	¹⁸ 321	\$54.82	\$175.87	²³ 265	\$53.89	\$142.70
Feb.	¹⁰ 277	47.79	132.38	¹			¹⁴ 249	56.08	139.41
Mar.				⁵ 575	52.00	299.00			
Apr.	² 305	36.54	111.46	⁸ 381	65.80	250.45			
May	² 368	44.57	163.80	¹⁰ 389	56.23	213.44	⁵ 382	34.90	133.33
June	³ 405	42.56	172.38						
July	²¹ 462	43.38	190.86	¹⁶ 395	59.01	233.27	¹⁴ 437	29.22	127.75
Aug.	¹⁷ 390	42.29	164.79	¹⁷ 380	65.30	248.35	¹² 417	28.89	120.46
Sept.	¹⁴ 469	44.39	208.31	⁶ 481	51.82	249.17	⁵ 455	20.32	92.45
Oct.	²⁶ 450	45.36	204.13	¹⁰ 441	50.77	223.91			
Nov.	²⁰ 407	46.35	188.63	¹² 348	49.07	170.92			
Dec.	¹¹ 318	47.51	150.94	¹⁷ 328	46.51	152.51			

Averages for Cull Cows Sold Through Commission Co.

Jan.	¹ 820	\$22.70	\$186.14						
Feb.	¹ 930	25.50	237.15						
Mar.				¹ 990	\$31.10	\$307.89			
Apr.	¹ 870	24.50	213.15						
May	¹³ 1017	24.14	245.55						
June									
July	¹ 805	22.20	178.71						
Aug.				² 805	33.89	272.83	² 785	\$20.06	\$157.48
Sept.									
Oct.	² 958	24.72	236.72						
Nov.	⁴ 843	23.86	201.03						
Dec.									





SULPHUR SPRINGS STATE BANK

FDIC

SULPHUR SPRINGS, TEXAS

L. F. BRIDGES, JR.
PRESIDENT

December 9, 1974

Statement to the Subcommittee of the House Agriculture Committee on livestock and grain.

I am presenting this statement as President of the Sulphur Springs State Bank, Sulphur Springs, Texas, and also as a cattle raiser in behalf of Congressman Patman's bill No HR17208.

This County has always raised beef cattle and since 1936 it has developed into the leading dairy county in Texas. This has been done with much work and expense. Our agricultural income for 1973 was \$60,000,000.00 and it was almost entirely from dairying and beef cattle.

Under present conditions, over which we had no control or warning, our present economy will be practically wiped out. We are now having many dairy and beef dispersal sales and they are increasing weekly. Most of our operators cannot continue in business and lose money every month.

This will not only ruin our cattle industry but also our general economy. There will be unemployment in all segments of our economy and these people will draw unemployment or relief. Would it not be more reasonable to keep these people producing rather than depending on a government hand out?

Respectfully presented,

L. F. Bridges, Jr.
President
Sulphur Springs State Bank



HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS, TEXAS 75482



December 10, 1974

Statement by Billy A. Fails
Sulphur Springs, Texas
Cattleman

To the House of Representatives Agriculture Subcommittee of
Livestock and Grain. U. S. House of Representatives

I'm in support of house bill H. R. 17208. This is , in my opinion
a way of preservating a man's mother cow herd. The product of
this mother cow herd is, of course, what we call feeder and
slaughter cattle and what is ultimately used to feed our nation
their beef.

Since our production cost have gone out of sight and our product
has decreased in price--we are to the point of losing money
prducing beef. The same holds true as far as milk products.

There is a tremendous amount of investment in operating a cow
ranch or dairy. No one can or will stay losing money. Your
concern over this matter is appreciated and we expect something
to be done and appreciate all the effort put forth.

Thank you,

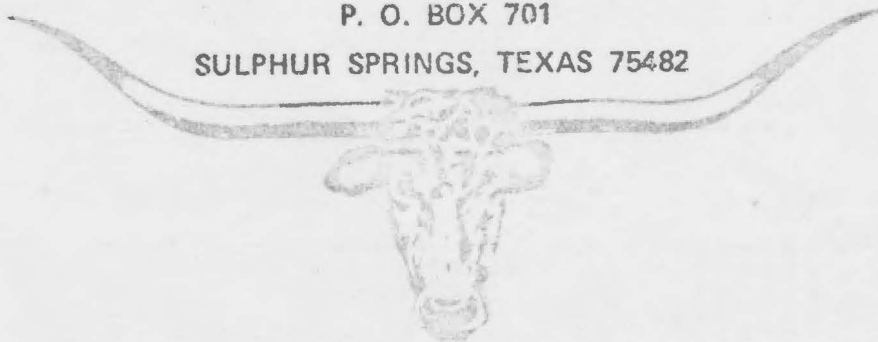


Billy A. Fails

HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS, TEXAS 75482



Statement of G. W. Gray, D. V. M.
Sulphur Springs, Hopkins County, Texas
to the House Agriculture Subcommittee on Livestock & Grains
U. S. House of Representatives

Mr. Chairman and Members of the Committee, I wish to take this means to express my support of introduction and passage of H. R. 17208.

I am a practicing Veterinarian with a 95% large animal practice in Hopkins County Texas. I have been in practice in this county for the past 27 years.

We have experienced the normal drouth, disease, natural and man made problems. Each time with these problems we were able to make our own adjustments. The conditions here, of which you are well aware, do not respond to vaccine, altered rations or a few more hours work per day.

I also have a small herd of Registered Beefmaster Cattle. These are sold for beef at local auction, the others as breeding bulls and replacement heifers. With the present feed cost vs the price paid for beef on the hoof (for slaughter or otherwise) there is no feasible means for me to continue this operation.

Good sound basic nutrition is essential to disease prevention and reproduction. Current cost-price figures are now making sound nutrition a thing of the past because we just can't afford the luxury. Since some of these nutritional changes are irreversible, in my opinion, action by you and this committee is needed now.

Thank you,

G. W. Gray, D. V. M.





Statement of C. H. Crouch, Beef Producer
To the House Agriculture Subcommittee on Livestock and Grains
U. S. House of Representatives

Following are some livestock sales figures during the past 30 months to illustrate the trend in the prices received for cattle compared to the cost increases of two items essential to a cow-calf operation. The starting date of July 1972 was used as this was before the first big wheat sale which apparently triggered the rise in feed and beef prices; and the dropping of import controls; the relationship of operating costs and cattle prices at that time permitted some profit to the producer for his labor.

Cattle Classes	<u>7/72</u>	<u>1/73</u>	<u>7/73</u>	<u>1/74</u>	<u>7/74</u>	<u>9/9/74</u>	<u>10/21/74</u>	10/21/74 Prices Compared to 7/72
Feeder calves, 400 lb. range	46.80	49.33	64.13	56.99	35.24	26.11	27.58	Down 41.1%
Slaughter calves	-0-	-0-	-0-	-0-	31.66	29.48	28.32	New classification Grass fed calves
Slaughter Cows	33.68	27.97	31.91	33.96	19.30	21.77	20.73	Down 62.5%
Feed, 20% Cubes-cwt.	4.20	4.25	5.60	6.90	7.65	7.25	8.20	Up 95.2%
Corn - cwt.	2.80	3.50	5.25	4.40	5.95	6.90	6.80	Up 142.8%
Fertilizer 23-9-14 ton	69.00	80.00	82.00	130.00	141.00	155.00	173.00	Up 150.7%
Milo -cwt.	2.55	3.60	4.80	5.00	5.00	6.40	6.30	Up 147.1%

The above cattle prices are average prices paid for these classes of livestock through a local commission barn and attached is a graph illustrating the spread in price of feeder calves compared to the cost of feed and fertilizer.

A & M University research indicates it costs about \$190.00 per year to maintain a beef cow. This includes interest on the investment, taxes, feed, labor, etc. You can quickly determine the annual loss when 400 lb. calves are selling for 26¢ to 28¢ per pound and most producers get less than a 90% calf crop. With feed costs of over 8¢ per pound and it takes six to eight pounds of feed to produce a pound of weight there would be further loss to try to feed calves to larger weights.

Livestock specialists tell us we have too many cattle numbers but as these numbers are reduced and prices rise it will only encourage more imports. Already nearly 11% of the beef consumed in this country is imported. The United States has become a dumping ground for foreign imports.
IMPORTS MUST BE STOPPED.

Many of the young producers, those with greater potential, will be forced out of business with tremendous losses which will ultimately result in shortages of beef and more inflation unless this trend can be reversed immediately. It is my opinion that the passing of bill H R 17208 now will help save our basic herds and our young farmers.

Thank You,

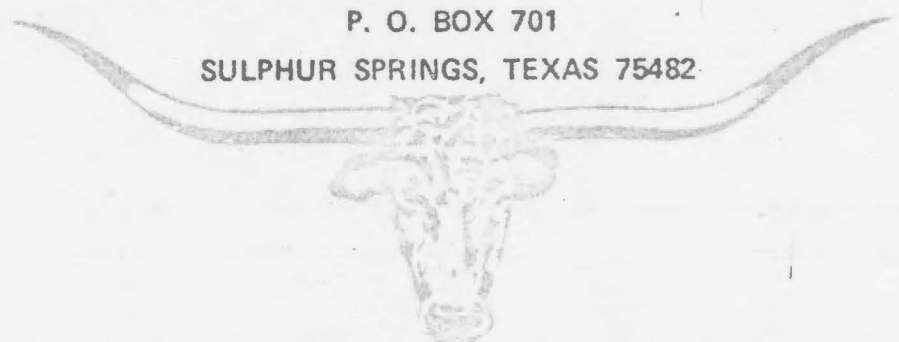
C. H. Crouch

C. H. Crouch, Beef Producer
305 Highland Drive
Sulphur Springs, Texas 75482

HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS, TEXAS 75482



Statement of Tommy Washington, Hopkins County, Texas
Board Member of the Hopkins County Dairy & Cattlemen's
Association

Mr. Chairman and Members of the Committee, H. R. 17208 to establish a relief program for temporary Beef Cow Feed. This could be the difference of survival for some cattlemen. If Cattlemen could get 75% parity price for Beef Cattle he would not seek any assistance.

In many other business this problem would be simple, just pass it on to the consumer. When cattle feed prices began a rapid climb in prices, news media reported that higher cattle feed prices would mean higher beef prices for the consumer. For the cattleman this is a rip off, as feed prices climbed, live cattle prices decline, but processed beef climbed in the Super Markets. This is disastrous to the cattle producer, live cattle produced by cattle feed. Beef brokers buy live cattle for slaughter. A Beef producer is an independant producer of cattle product. Many small cattle producers were once cotton farmers. When this was no longer profitable they turned to cattle producers, to keep from seeking welfare assistance. Which we all know, is a burden on the American society.

As a small cattle producer we work eight hours a day on a public job and then six hours on the farm to try to provide for our familys. Some older producers on a small fixed income produce cattle to help to provide for their needs.

I believe the passing of this bill H. R. 17208 would be greater help to such persons to retain their independent way of survival than to stand in line to buy food stamps.

This is my testimony.

Thank You,

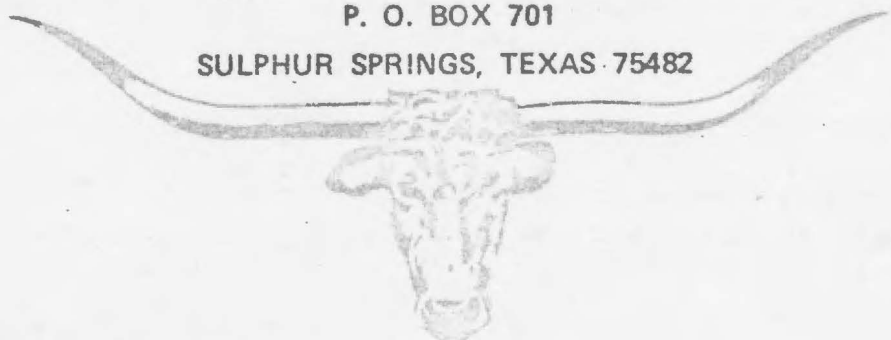
Tommy Washington



HOPKINS COUNTY CATTLEMEN'S ASSOCIATION

P. O. BOX 701

SULPHUR SPRINGS, TEXAS 75482



This statement by Lowell Cable
Sulphur Springs, Texas
Part time beef producer.

To: House of Representatives Agriculture
Subcommittee of Livestock and Grain.
U. S. House of Representatives

Mr. Chairman and Committee Members. There are two points that I would like to make in this written testimony;

1. One being that Agriculture in America has become an international political pawn.
2. Point two, the urgency of the matter at hand.

Since all agriculture products have become so important in world diplomatic strategy it then, is the responsibility of every man, woman and child in America to, at least temporarily share a part of the load during this period of adjustment. The cattleman should not have to bear the burden of a grain deal that has put him out of business simply for the sake of his country jockeying for strategic world position. It is the responsibility of those so far removed from the livestock industry that they know not, nor could care less if a cow roosts in a tree or sleeps in a hole in the ground because they too are still affected.

The cattle industry did not cause the fuel shortage. Cow ponies do not run on gasoline. Yet, all of a sudden we must balance our payments with the most available item we have at hand, feed products. And this is why we are here today.

Assuming that this was the correct thing to do, then everyone in America and throughout the world benefits, yet, the cattle industry, another very important segment of the food producing fraternity, is being absolutely wrecked.

Point number two: the urgency in this matter of life and death of the cattle industry can best be illustrated by this example. If the aids for each one of you committee members sitting in this room



whispered in your ears that your un-insured home was on fire and all your life's work was being burned to the ground, would you-- the committee members under such circumstances complete this hearing here today?

The cattle industry's house is on fire and it is being fanned by winds over which it has no control. And if this committee would only realize how fast it is burning then you will hear not another word with regard to the necessity of what we ask but you would concern yourselves only with how quickly you can get help to our industry for the sole purpose of the survival of the cow herds in the United States. The first bucket of water for the control of this fire should be H. R. 17208 to assist with feed for our cow herds.

Thank you,

Lowell Cable

Lowell Cable, Secretary
Hopkins County Dairy & Cattlemen's Association



Statement by Byron Dickerson, Sulphur Springs, Texas
Treasurer, Hopkins County Dairy and
Cattlemen's Assc, part time beef producer.

To: U. S. House of Representatives
House Agriculture Committee on Livestock and Grain

Mr. Chairman and Committee Members,

I would like to urge your immediate consideration
and passage of H. R. 17208.

Gentlemen, this is most important that this commands
your attention. Our county and state are now in a situation
that never in all history has been seen. This is also true
of any beef or dairy county in our country.

Upon your action lies the future of you, I, and all
Americans.

Also, in performing this action, administration of
it should be kept to a minimum!

NOW-is the time, not tomorrow, not next week, not
next month, but this very hour!

Thanks for your immediate attention.

Yours very truly,


Byron Dickerson



TO THE HOUSE COMMITTEE OF AG.

I AM A BEEF COW PRODUCER WITH 200 MOTHER COWS. I AM IN ONE HECK OF A SQUEEZE. I AM BETWEEN A ROCK AND A HARD PLACE AND SQUEALING LIKE A PIG HUNG UNDER A GATE. I HAVE SEEN RASIN CATTLE FOR FIFTY YEARS.. YOU DRUGSTORE COWBOYS IN WASHINGTON HAVE ME IN THE DARDEST MESS I HAVE EVER SEEN. I AM GOING TO PUT THE BLAME ON THE REPUBLICANS SINCE THEY AIN'T LONG WITH US. YOU DEMOCRATS BETTER GET THE HELL RASIN OVER AND GO TO GETTING SOMETHING DONE OR THE ENTIRE COUNTRY IS HEADIN FOR SOME REBELLION AND A SHO NUFF REVOLUTION. PEOPLE ARE MAD AND SCARED AND ALL HELL IS GONNA BREAK LOOSE IF YOU MONKEYS DON'T ACT INSTEAD OF SETTING ON YOUR LAUNCHES LIKE A HOUND DOG BARKING AT THE MOON. I SUGGEST A PROGRAM WHERE THE DEPT OF AG. WOULD GIVE A RANCER OR DAIRYMAN TWO DOLLARS A HUNDRED OFF ON HIS RANGE CUBES OR DAIRY FEED. HE WOULD HAVE TO PRODUCE A PROFFOF PURCHASE FROM A QUALIFIED FEED STORE. FOR GOD SAKE DON'T PUT THE ASSS OFFICE IN CHARGE OF MAKIN RANGE CUBES AND MIXIN DAIRY RATIONS THE POOR LADS FIND T HEIR WAY OUT OF THE RAIN LIKE IT IS. THAT WOULD BE THE END OF ALL OF US, THE LAST STRAW. THE HEAD HOG AT THE TROUGH OF THE AG. DEPT HAS GIVEN AWAY AND SOLD TOO MOUCH CORN ALREADY, CHARITY BEGINS AT HOME. I AM FED UP WITH GIVING THOSE SO AND SO'S OVER SEAS SO DAMED MUCH AND THE ENTIRE COUNTRY IS FED UP WITH IT. BETTER LISTEN TO SOME COUNTRY THIKIN AND PREACHIN FORE IT IS TOO LATE. I AM THE SORT OF GUY THAT GOES BEAR HUNTIN WITH A WILLOW LIMB AND I HAVE A GOOD STIFF ONE ALREADY TO SEND TO WASHINGTON IF YOU FELLOWS DON'T GET CLEARED AWAY AND START WORKIN CATTLE LIKE YOU ARE SUPPOSED TO DO. I CAN RASE HELL AND CATTLE AND YOU ALL JUST FOURNISH THE MONEY AND WE CAN GET THE TATERS AND MEAT AND MILK ON THE TABLE IF YOU WILL JUST GIVE US A LITTLE RUNNING ROOM. I HAVE A GOOD CORN CROP THIS YEAR AND SUGAR IS SO HIGH I CAN'T AFFORD TO MAKE IT UP IN GOOD CORN LIQUOR. THINGS SHO ARE IN A HELL OF A MESS IF YOU ASK ME. I CAN FIGURE ON LASTIN A WHILE LONGER CAUSE I KNOW MR. KISSENGER IS GONNA WORK OUT EVERYTHING OVERSEAS AND PRETTY SOON HE WILL BE AVAILABLE TO SETTLE THE AG. DEPT. TROUBLE. SHO HOPE THE GOOD LORD LETS HIM LIVE. ON SECOND T HOUGHT MABY SOME OF YOU OLD COUNTRY BOYS MIGHT JUST SET DOWN AND HAVE A WAGON TONGUE TALK WITH THE NEW PRESIDENT AND TELL HIM HE IS IN A HELL OF A POT OF HOT WATER. THIS IS ENOUGH. AS HARRY TRU MAN ALWAYS SAID,***** GIVE THEM HELL.. BUT YOU ALL BETTER GET SOME RELIFE TO US PRODUCERS OR WE ARE ALL GONNA BE GETTIN FOOD STAMPS THEN I CAN AFFORD TO BUY SUGAR AND MAKE MY CORN CROP UP IN LIQUOR AND GIVE IT WAY BY THE DRINK GOOD LUCK FOR YOU SHO AS HELL KNEEDIT.

HENRY SARTIN JR.

(A HALF BREED CHEROKEE INDIAN ON THE WAR PATH.)

B. S. IF ANY OF YOU FELLOWS WANT TO COME D WN AND HAVE A LOOK ATEL MY BAINING WIRE OPERATION JUST COME AHEAD I SHOW WILL BE GLAD TO TAKE YOU QUAIL HUNTING AND COW PUNCHIN.



725 Hodge Street
Sulphur Springs, Texas
75482
December 8, 1974

Agriculture Sub-Committee
Washington, D. C.

I Charles E. Richardson of Sulphur Springs, Texas wish to voice my support of a plan to aid cattlemen and dairyman in feeding their livestock. Today,s feed prices have helped put many beef and dairy meh out of buseness and is squeezing the life out of many others.

I believe we need a simple program. A possible solution would be a contract issued by the Agriculture Deptartment to each dairyman and cattleman to enable them to purchase feed through the local feed dealers.

As a member of the Hopkins County Dairy and Beef Producers Association, I endorse the proposed plan outlined by the groop

Sincerely yours,

Charles E. Richardson
Charles E. Richardson



STATEMENT BY: PRICE BROTHERS
TO: THE HOUSE AGRICULTURE SUBCOMMITTEE
ON: LIVESTOCK AND GRAINS
U.S. HOUSE OF REPRESENTATIVES

December 10, 1974

As cattlemen and dairymen, my family and I, are deeply concerned about the high cost of production. The cost of production has increased from 100% to 300% in one year. Yet the product we sell is bringing the same price it was a year ago. In some instances, our product is even selling one-fifth below last year.

Being a family of dairymen and cattlemen, what effects us, effects the people we hire. The more it costs to produce, the more we have to cut expenses. Therefore, this means our employees do not have jobs, their families do not have an income.

We are in desperate need of help, not welfare help. We need H.R. Bill 17208 to be properly amended and passed immediately. We are proud, hard working people. We would resent a foreign aid type give away program. We just want a fair chance to compete with everyone else.

Perhaps, if the government officials would come down to Cow Country, they could understand our situation better. It is heartbreaking to see men, with families, borrow money to go to Washington, only to find that no one has the time to talk with them. It is sad to think, that unless there is relief, that eventually the family enterprise system will no longer be a reality in our country. That there will not be enough beef or milk for all the hungry people world wide.

We believe it is time that Washington took a long serious look at the cattlemen and dairymen.

Thank you,

Pizzini Price, Frankie Price, Bobby Price
PIZZINI PRICE, FRANKIE PRICE, & BOBBY PRICE



House Agriculture Committee
U. S. House of Representatives
Washington, D. C.

To Whom It May Concern:

I am Gary Jones, co-owner of the Sulphur Springs Livestock Commission Co., the largest cattle market in Northeast Texas for the past 20 years. I am here today representing the business community of our area, and the Hopkins County Livestock Council.

As you can see by the first enclosure, this group represents all segments of the economy of our area.

- Enclosures:
1. Hopkins County Livestock Council
 2. Sulphur Springs Livestock Commission Co., Inc.
Report of Sales
 3. Feed Companies
Report of Loss and Accounts Receivable
 4. Lending Institutions and Banks
 5. Dispersal Sales
 6. Automobile and Truck Sales

Gentlemen, you know this Administration has failed to act in any way to help the cattle industry. It seems that this vital segment of our economy will be the sacrificial lamb and will be destroyed. Action from this Congress is long overdue. Many of our dairymen and beef producers are bankrupt.

The guaranteed loan of 80% that has been offered cattlemen is not worth the paper it is written on because there is very little left that have the 20% that the banks require. In addition to the bills that you have before you and those that are still in the Ways and Means Committee, we think that cattlemen should have money made available at a low rate of interest with five to ten years to pay it back. I think that this is the only way that many cattlemen can stay in business. The bills you have before you would enable these people to pay this money back and might give them a chance to feed their families.

Here are some things that I cannot understand and could be remedied.

Ethiopia - How do we explain to our customers that our government can give a country that is not even in our 1974 military aid budget so much and neglect the people who are providing food for our own nation? Millions are starving to death in Ethiopia, but instead of sending them food we send them weapons. Twenty-three million people in the United States are living in poverty, but our government would rather send millions of dollars to other nations instead of providing that money to help its own people.

Egypt - This deal is just a drop in the bucket compared to the deal we made Russia, India, and countless others. Forget the money, but who do you think will ever repay just the interest? Has the government ever considered this cheap money for its own people?

Meat Board Articles - Ninety-eight percent of the cattle raisers in Northeast Texas own less than 100 head, 68% have less than 25 head; therefore, a supplemental income is required for almost each family that is involved in beef producing so that family can have the necessities of life.



Many of our people drawing social security raise a few head of cattle for extra money to supplement their social security. Can you imagine what a profitable situation they are in? Also, with this existing condition in the cattle industry, can you imagine what the retirement benefits will be for our cattleman?



House Agriculture Committee
U. S. House of Representatives
Washington, D. C.

To Whom It May Concern:

The problems in the Automobile, steel, and building industry was brought on by the unreasonable contracts that the labor unions have demanded and the unreasonable profits the companies have insisted on while the problems of the beef and dairy industry have been caused by our own government. The workers in other industries are protected by unemployment compensations, labor union payments, and lay-off payments by the companies. The dairyman and beef producers have absolutely no protection.

How can our Congress and our President sit by and do nothing to help at a time like this. Our problems are a direct result of the report by the USDA in early 1973 that we had a shortage of beef. How anyone could come up with a report like that when every feedlot in the nation was bursting at the seams with beef is still a mystery to me. After this report came out Mr. Nixon placed a freeze on all meats first, and left the freeze on beef until the last. This made it look like beef was the villain in the increase in grocery prices. Even at the high point in the beef prices, it still required less time for the American worker to buy a pound of beef than ever before.

The American farmer is tired of being at the bottom of the economic ladder. He is one of the hardest working, best educated and the most efficient operator in the world.

If he is wiped out by President Ford, Dr. Kissinger, and Mr. Butz and his Fraternity Brothers, this world will find that it is in big trouble. This Congress must act and act now! Mr. Butz must go, he has done nothing but make the large grain companies richer and given our grain away to people that are against our form of government and that show no appreciation whatsoever.

When will we learn that we cannot buy friendship? When will we wake up and stop foreign aid to military governed countries that require us to furnish arms and ammunition before we can send food to their starving people? Are you gentlemen willing to forget politics and act? We all know by now this administration is going to do nothing for the "Little Man", its up to you. Gentlemen, our people are to the point of refusing anymore excuses. I am a director of the Texas Livestock Marketing Association, a member of the Competitive Livestock Market, and a member of the National Livestock Dealers Association and what I have just said to you would be seconded by each of associations.

Gary R. Jones
Sulphur Springs Livestock Commission
Sulphur Springs, Texas



Hopkins County Livestock Council

As you can see this group represents all segments of the economy in our area. This telegram was sent to Washington, D. C. Sept. 13, 1974 to President Nixon, Sec. of Agriculture Earl Butz, Congressman Wright Patman, Senator Tower and Senator Benton with signatures totaling over 1,000. By now you have finally recognized the ever increasing problems faced by the cattle industry. This enclosure is entered only to let you know we have been doing our best to alert you of the problems before it got as bad as it is now. Positive action concerning the recommendation has yet to be noted.



T E L E G R A M

WE, THE PEOPLE OF HOPKINS COUNTY, TEXAS, THE LARGEST PRODUCER OF CATTLE IN TEXAS AND ALL OTHER NORTHEAST TEXAS COUNTIES STRONGLY ENDORSE THE EMBARGO OF ALL BEEF THAT IS BEING IMPORTED INTO THE UNITED STATES.

WE URGE YOU TO USE YOUR INFLUENCE IN EVERY WAY POSSIBLE TO SUPPORT THIS MEAT EMBARGO, AS THE CATTLE INDUSTRY HAS SUFFERED A DISASTER.

WE, ALSO, URGE YOU TO PASS LEGISLATION ALLOWING LONG TERM LOANS AT LOW RATES OF INTEREST TO ALL CATTLEMEN WHO HAVE SUFFERED SUCH TREMENDOUS LOSSES.

WE, ALSO, ASK THAT IMMEDIATE PURCHASES OF HEAVY BEEF BE MADE FOR THE SCHOOL LUNCH PROGRAM AND THE ARMED SERVICES.

WE ARE OF THE OPINION THAT UNLESS SOME POSITIVE ACTION IS TAKEN IMMEDIATELY, THE LOSSES SUSTAINED BY THE CATTLEMEN AND RELATED INDUSTRIES WILL BE FELT THROUGHOUT THE ENTIRE NATION

WE EARNESTLY ASK FOR YOUR CONSIDERATION AND SUPPORT OF OUR POSITION.

HOPKINS COUNTY LIVESTOCK COUNCIL, ROY HOLDER, PRESIDENT; HUGH MCCLENDON, QUICKY FOOD STORE; P. F. BRADLEY, COMO INDUSTRIES, INC.; ROY HOLDER AND GARY JONES, SULPHUR SPRINGS LIVESTOCK COMMISSION; JOHNNY DOBSON, CITY NATIONAL BANK; F. W. FRAILEY, DAILY NEWS-TELEGRAM; C. H. CROUCH, PRESIDENT, FARM AND RANCH CLUB; E. I. SIKES, FARMERS CO-OP ASSOCIATION; W. A. CANNON, JR., PRATT PACKING COMPANY.; DON PHILLIPS, CATTLE PRODUCER; PAUL HERSCHLER, HOPKINS COUNTY AG WORKERS; CHARLES SELLERS, SULPHUR SPRINGS STATE BANK; GERALD BOWERS, PEOPLES NATIONAL BANK; WILLIAM BRADFORD, KSST; HARRISON GRAYS, ASSISTANT COUNTY AGENT; LARRY E. GEE, HOPKINS COUNTY CHAMBER OF COMMERCE; RICHARD WATSON, VO -AG TEACHER.



Sulphur Springs Livestock Commission Co., Inc.
Report of Sales

- I. 1972 - Sold 78,913 - \$12,092,591.33 ~ \$153.50
1973 - Sold 73,976 - \$13,489,904.87 ~ \$182.50
1974 - Sold 49,320 - \$ 5,987,177.70 ~ \$121.20

Our people can't afford to sell because cattle prices won't pay their notes and the majority of people in our area are too proud to take bankruptcy.

Lower prices drastically reduced the movement of cattle through our marketing agency from other marketing agencies in Northeast Texas, Arkansas, Louisiana, Oklahoma, and Mississippi.

- II. Financial Statement - Sulphur Springs Livestock Commission Co. for fiscal year ending August 31, 1974.

Barn cattle loss - \$11,323.19

Overall loss for the Commission Co. for the year - \$579.52 without drawing a salary for the last three months.

Loss on barn cattle for September, October, first three weeks of November - \$5755.68 on 373 cattle.

The Commission Co. has on hand now a total of 387 head that we have been unable to sell, bringing us a total of 760 head this past three months that the barn still owns or sold for a loss. We are now in such a drained financial position that we can no longer afford to let the barn own anymore cattle, forcing us to set cattle in for lower prices.

Some sales in Texas have closed their doors because all their buyers were filled and there was no one to give anything for cattle.

- III. Record of Actual Sales through the Sulphur Springs Livestock Commission Co.

- IV. Record of baby calves sold for slaughter September 30th through November 18th was a total of 1956 head. These were sold because people can't afford to raise them. Approximately half of the calves that were slaughtered were heifers. This should give you some indication of what our volume of cattle will be two or three years from now. Also remember there are two other markets in Hopkins County. This condition with the slaughter of baby calves exist throughout the nation.



SULPHUR SPRINGS LIVESTOCK COMMISSION COMPANY

AS OF August 31 1974

INCOME:

MONTH

YEAR TO DATE

Barn Cattle

Cafe Rent

Commission

Feed

Misc.

TOTAL INCOME:

LESS SAME EXPENSE

Advertising

Automobile

Bank Charges

Barn Supplies

Contract Labor

Dues & Distributions

Entertainment

Freight & Hauling

Insurance

Interest Paid

Labor

Legal & Audit

Maintenance

Managerial

Misc.

Office Supplies

Postage

Public Relations

Rent

Taxes (Gen.)

Telephone - Teleg.

Travel

Utilities

Vet. & Med.

TOTAL EXPENSE

DEPRECIATION

NET TAXABLE PROFIT

\$15,535.24

\$209,595.44

96.80

312.02

-0-

-0-

150.00

116.15

-0-

43.00

291.00

-0-

5,985.64

70.00

37.13

-0-

99.63

143.28

50.00

-0-

-0-

350.80

155.76

445.50

4,284.12

-0-

3,395.23

7,761.52

12.00

951.87

609.25

1,888.35

261.51

697.97

12,850.89

-0-

12,526.03

1,202.25

1,533.48

-0-

2,129.22

2,383.33

651.60

1,433.17

11,955.00

7,781.29

3,765.67

4,128.54

4,349.20

\$8,821.62

\$204,172.96

\$

4,711.42

\$

\$

\$579.52 Loss



	July 1972	Jan 1973	July 1973	Jan 1974	July 1974	Sept. 1974	Oct. 21-1974	Oct. 28-1974	Nov. 11-1974
Feeder calves									
400 lb. range									
Choice feeder									
Per hund. weight	46.80	49.33	64.13	56.99	35.24	26.11	27.58	26.50	21.46
Slaughter calves									
Choice slaughter									
Per hund. wt.					31.66	29.48	28.32	26.95	20.37
Slaughter cows									
Best Grade									
Per hund. wt.	33.68	27.97	31.91	33.96	17.30	21.77	20.73	17.64	16.48
Baby Calves									
Per Head		59.47	67.24	50.92	17.37	18.59	18.07	14.12	6.29

All time high per head - August 6, 1973
 1573 - \$385,378.48 Average - \$244.99



Average Prices Per Head

On a Monthly Basis Since January 1972

And on a Weekly Basis since Sept. 1974



	January	February	March	April	May	June	July	August	Sept	Oct.	Nov.	Dec.
1972	164.69	142.81	148.00	116.90	153.55	146.64	156.93	155.94	122.32	169.05	187.90	159.00
1973	166.67	206.03	203.10	188.74	202.25	158.12	213.04	208.35	182.70	166.93	148.60	160.60
1974	159.34	166.42	171.58	148.37	121.54	108.68	113.98	109.73				

Sept. 1974	2nd	9th	16th	23rd	30th
	101.33	102.50	72.99	81.33	93.40
Oct. 1974	7th	14th	21st	28th	
	90.72	89.35	89.21	75.20	
Nov. 1974	1st				
	69.28				

FEED MILL
Phone 214/865-5036
214/865-3831

STORE & OFFICE
Phone 214/865-3143
214/865-4581

FARMERS CO-OP

COMPLETE "ONE-STOP" FARM SUPPLY STORE AND FEED MILL

P. O. Box 487

428 North Jackson Street

SULPHUR SPRINGS, TEXAS 75482

November 25, 1974

TO WHOM IT MAY CONCERN:

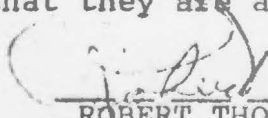
We have been asked to confidently report, for congressional purposes, the status of our Accounts Receivables as of November 1, 1974. Listed below is the pertinent information in this regard to be used only to help interpret the financial status of the beef and dairy farmer in our area. Ninety-eight percent of these accounts are with farmers involved in these livestock enterprises.

	NUMBER OF ACCOUNTS	DOLLAR VALUE OF ACCOUNTS
1. Total Accounts Receivable	1284	\$1,158,844.33
2. Total Accounts Current		638,073.56
3. Delinquent Accounts 30-60 days		88,603.15
4. Delinquent Accounts 60-90 days		52,360.04
5. *Delinquent Accounts Over 90 days		379,807.58

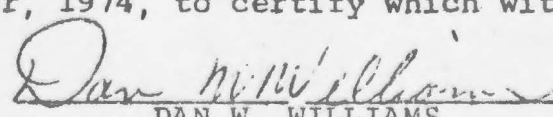
Of these delinquent accounts we have turned 207 over to collection agencies in the amount of \$240,483.71.

On November 22nd, we removed another 115 patrons from our eligible charge list because of delinquent accounts. If it continues at this rate for a very long time, I am sure you can see that our business will be in jeopardy.

I do hereby swear that this information was taken from our receivable records and that they are accurate to the best of my knowledge.


ROBERT THOMPSON, MANAGER

SWORN TO AND SUBSCRIBED before me, the undersigned authority, on the 25th day of November, 1974, to certify which witness my hand and seal of office.


DAN W. WILLIAMS

OWNED AND OPERATED BY FARMERS



HOWARD S. SMITH, VICE-PRESIDENT
ENOS L. ASHCROFT, VICE-PRESIDENT
DR. S. BYRD LONGINO, VICE-PRESIDENT

W. W. JONES, JR., PRESIDENT
H. J. MAHAFFEY, VICE-PRESIDENT
LONNIE L. CAMPBELL,
ASSISTANT VICE-PRESIDENT

JOHNNY DOBSON
ASSISTANT VICE-PRESIDENT
ROBERT P. ALEXANDER, CASHIER
JAMES B. DIAMOND, ASSISTANT CASHIER
LEE R. TEETES, ASSISTANT CASHIER

The City National Bank

Sulphur Springs, Texas

November 22, 1974

House Agriculture Committee
United States House of Representatives
Washington D. C.

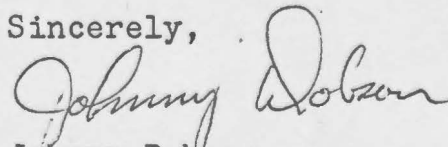
To Whom It May Concern:

We are sure you are aware of the tremendous stress the cattle and dairy industries are in. It is very urgent that the Legislature of the United States do whatever is possible to help turn this around before a permanent damage is done to the industry.

We are in a position to observe the financial bind the cattle and dairy industries are in in this area. We are working diligently with our customers in all ways to help keep them in business. We have delayed payments and advanced additional capital; however we can only go so far.

We sincerely feel the Legislature should take positive steps now in regard to Beef and Dairy imports and grain exports.

Sincerely,



Johnny Dobson
Assistant V-President

JD/sp





SULPHUR SPRINGS STATE BANK

SULPHUR SPRINGS, TEXAS



L. F. BRIDGES, JR.
PRESIDENT

November 22, 1974

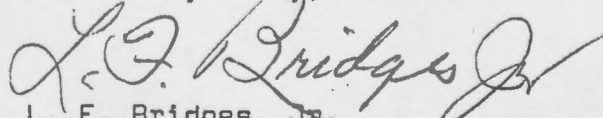
To Whom It May Concern:

The dairy industry in Hopkins County is in a very critical stage. The margin between feed cost and the price of milk is not sufficient to justify the cost of our labor and the high cost of all equipment and supplies.

In many cases we are able to reduce or extend payments on our dairy loans, but in many cases the dairymen are being forced to cease operations.

Unless this trend is at least slowed, the production of milk in this area will be reduced, and of course it will be a slow process in getting our production back to normal. This can only increase the cost of milk to the consumers. Also the economy of this entire area will be affected.

Yours very truly,


L. F. Bridges, Jr.
President





Poples NATIONAL BANK

SULPHUR SPRINGS, TEXAS

GERALD BOWERS
SENIOR VICE PRESIDENT

November 25, 1974

House Agriculture Committee
United States House of Representatives
Washington, D. C.

To Whom It May Concern:

We as a lending institution are definitely aware of the stress and strain of the dairy and beef cattle industry in this county. At the present time with the market prices as they are and the continual increase in feed prices it is causing an extreme hardship on the dairymen. As far as the beef cattle producers are concerned, the same conditions are causing a hardship on them for the cattle prices are at an all time low.

From the standpoint of a lending institution, we are unable to extend payments in all situations due to the banking regulations. We would like to impress upon you the urgency of some legislation to relieve these conditions and therefore continue the business of beef cattle raising and the dairy industry which is vital not only to our county but to the nation.

Sincerely,

Gerald Bowers
Vice President

GB:ja



Barn Phone
Shirley Exchg.
214-485-2576

JONES LIVESTOCK AUCTION
Sulphur Springs, Texas

Sale Every Saturday
Dairy Sales - First & Third Friday

Home Phone
214-885-7188
Mobile Phone
214-885-7941

In the past 60 to 90 days there has been approximately
went Grade A Dairies sold out at our Auction. This would
mour to approximately 1239 cattle with less than 40 going
back to dairy and the balance to slaughter.

Our Dairy Sales are held the First and Third Friday
of each month.

W. J. Jones



CAR AND TRUCK SALES



<u>UNITS SOLD</u>				<u>UNITS SOLD</u>			
	<u>Ford</u>	<u>Linc-Merc</u>	<u>Chev.</u>		<u>Ford</u>	<u>Linc-Merc</u>	<u>Chev.</u>
Sept. 1973	68	23	62	Sept. 1973	30	8	42
Oct. 1973	65	24	47	Oct. 1973	36	8	38
Nov. 1973.	44	14	45	Nov. 1973	25	4	23
Total	177	61	155	Total	91	20	109

U.S. increases wheat to Egypt

New Ethiopia leader wants more U.S. military aid





MEAT BOARD Reports

36 SOUTH WABASH AVENUE • CHICAGO, ILLINOIS 60603 • (312) 346-6465

Question: But doesn't pork still have more fat than other meats?

Answer: Not at all. As a matter of fact, pork is now included in the recommended diets of such weight control organizations as Weight Watchers International and the Diet Workshop.

Question: Is livestock production the best way to use our land resources? Answer: In some cases it is the only way to use land for food production. Only about 15 percent or 350 million acres of our total land area (2.2 billion acres) is useful for crop production and some of this is best suited for forage crops, such as grass and hay, rather than grains. About 890 million acres, or 39 percent of our land area is good for pasture, grass and grazing land for cattle and sheep. It takes about 10-20 pounds of these forage crops to produce a pound of meat.

* * *

EDITOR'S NOTE: Please feel free to reprint or otherwise reproduce material from MBR. It is also suggested that your copy of MBR be routed to others who would be interested in its contents.

MEAT BOARD Reports is intended: to keep livestock and meat industry leaders alerted to trends in food marketing, technological and consumer fields that may directly or indirectly affect their business; to keep them apprised of Meat Board programs; and to air opinions on related matters. Have you comments? Write directly to the office of the President.

What's the reason for feeding grain to livestock? -- Grain feeding quickens the development of an animal thereby getting more meat to market more rapidly. And Americans have shown a definite preference for grain-fed meat, especially since the end of World War II.

What percent of a beef animal's diet is composed of material humans cannot use? -- About 78 percent. Beef cattle, as well as sheep, are ruminants. A ruminant has four stomachs and can obtain nourishment from grasses and other leftovers -- corn stalks, for instance -- which humans could not or would not eat. Thus, materials that would otherwise be wasted can usefully be converted into high quality, essential protein when consumed by livestock.

MEAT BOARD Reports is intended: to keep livestock and meat industry leaders alerted to trends in food marketing, technological and consumer fields that may directly or indirectly affect their business; to keep them apprised of Meat Board programs; and to air opinions on related matters. Have you comments? Write directly to the office of the President.

**A REPORT ON
EMERGENCY RELIEF
FOR THE
BEEF AND DAIRY INDUSTRY
IN TEXAS AND THE NATION**



A REPORT OF HEARINGS ON AGRICULTURAL MARKETING PROBLEMS

FROM THE

HOUSE LEGISLATIVE COMMITTEE ON AGRICULTURAL MARKETING

Stephenville, Texas - October 28, 1974

Sulphur Springs, Texas - October 29, 1974

Paducah, Texas - October 30, 1974

A REPORT OF HEARINGS ON AGRICULTURAL MARKETING PROBLEMS

FROM THE

HOUSE LEGISLATIVE COMMITTEE ON AGRICULTURAL MARKETING

CHAIRMAN: Representative E. L. Hurt

VICE CHAIRMAN: Representative Forrest Green
Corpus Christi, Texas

MEMBERS: Representative John M. Bove, III
Nassau, Texas

Representative L. Ross Cook
Dumas, Texas

Representative Jerry Hamilton
Stephenville, Texas

Representative Hilary E. Jones, Jr.
Fort Worth, Texas

Representative Alvin Hays
Colorado City, Texas

A REPORT OF HEARINGS ON AGRICULTURAL MARKETING PROBLEMS

FROM THE

HOUSE LEGISLATIVE COMMITTEE ON AGRICULTURAL MARKETING

Stephenville, Texas - October 28, 1974

Sulphur Springs, Texas - October 29, 1974

Nacogdoches, Texas - October 30, 1974

CHAIRMAN: Representative E. L. Short
Tahoka, Texas

VICE CHAIRMAN: Representative Forrest Green
Corsicana, Texas

MEMBERS: Representative Latham Boone, III
Navasota, Texas

Representative L. Dean Cobb
Dumas, Texas

Representative Jerry Donaldson
Gatesville, Texas

Representative Hilary B. Doran, Jr.
Del Rio, Texas

Representative Elmer Martin
Colorado City, Texas

A REPORT OF HEARINGS ON CURRENT FARM PROBLEMS

Hearings were conducted by the Texas House Committee on Agricultural Marketing in Stephenville, Sulphur Springs, and Nacogdoches during the month of October 1974 to investigate the critical problems of livestock and dairy producers. Agriculture is an important segment of the Texas economy and cattle is one of the highest economic multipliers. During 1973, the sale of all Texas farm products was approximately \$6.4 billion. According to studies done at Texas A & M University, the impact on the state's economy was in excess of \$23 billion. One dollar change in the sale of farm products changes the total economic output of the state by \$3.60.

The testimony of farmers, ranchers, finance officers, and agricultural leaders that both beef and dairy producers are caught in a severe cost-price squeeze. Only the most efficient producers in a favorable equity position are covering all their operating costs. The majority are suffering losses every day they remain in business. An unpredictable number will be forced out of production within an eighteen month period, depending upon the events of the next few months. But some testimony from some lending institutions stated no monies would be available to some producers in one month.

Agricultural leaders urged changes in governmental regulations that are contributing to higher consumer prices and investigations into the price spread of commodities once they leave the farm. Some producers called

A REPORT OF THE COMMITTEE ON CURRENT FARM PROBLEMS

Investigations were conducted by the House Committee on Agriculture during the month of October 1935 to investigate the critical position of livestock and dairy products. Agriculture is an important segment of the Texas economy and cattle is one of the highest economic assets. During 1935, the sale of all Texas farm products was approximately \$2.5 billion. According to studies done at Texas A & M University, the impact on the state's economy was an increase of \$2.5 billion. One dollar change in the sale of farm products changes the total economic output of the state by \$3.00.

The testimony of farmers, ranchers, finance officers, and agricultural leaders that both beef and dairy products are caught in a severe cost-price squeeze. Only the most efficient producers in a favorable supply position are covering all their operating costs. The majority are suffering losses every day they remain in business. An immediate table number will be turned out of production within an eighteen month period, depending upon the severity of the next few months. But some testimony from some leading institutions stated no losses would be available to some producers in one month.

Nationalized leaders urged changes in governmental regulations in order contributing to higher consumer prices and investigations into the price spread of commodities once they leave the farm. Some producers called

for restrictions to be placed on exports of feed grain and imports of meat and dairy products. The Committee recommends that exports be not made available to other countries at a lessor rate of interest than that charged to domestic producers of this nation. However, it was pointed out that restrictions on exports from the Federal level would constrict agricultural growth.

The committee's report includes recommendations for immediate and long-range changes in agricultural economics. The report is as follows:

INDEX TO RECOMMENDATIONS FOR AIDING THE BEEF AND DAIRY INDUSTRY

IMMEDIATE RELIEF AT THE FEDERAL LEVEL:

1. Encourage voluntary restraints by other nations in the exports of beef and dairy products to this country.
2. Increase purchases of U.S. beef by the Federal Government for contemporary consumption.
3. Crash program in the Federal Extension Service.
4. Re-evaluate the methods for determining the price spreads.

LONG-RANGE PROJECT RECOMMENDATIONS AT THE FEDERAL LEVEL:

1. Exemptions from the excessive regulations under the State Meat Inspection Act.
2. Re-evaluation of present methods of estimating agricultural commodity reporting.



RECOMMENDATIONS OF THE COMMITTEE

TO CURB THE DOWNWARD TRENDS IN THE BEEF AND DAIRY INDUSTRY

IMMEDIATE RELIEF AT THE FEDERAL LEVEL:

Immediate relief could be stepped up by implementing the following recommendations:

1. Encourage voluntary restraints by other nations in the exports of beef and dairy products to this country.

Voluntary restraints are recommended rather than placing embargoes on imports here and abroad. The exports contribute to the maintenance of a balance of trade for the U.S. International negotiations should continue on the establishment of non-restrictive agreements on export markets that could break down the barriers that inhibit sales of U.S. meat abroad.

Beef Imports

Excessive imports have hurt the dairy and meat industries. Import volume for the first six months of 1974 have remained about the same for other agricultural products, but the value rose 30% during fiscal 1973-74 to \$9.5 billion. The volume has increased for dairy products but decreased for cattle and beef. Total value for imported livestock products for the first six months of 1974 reached \$1.082 million, an 8% increase over the same period of 1973. Total meat imports, including those subject to the Meat Import Law, are estimated at 7 to 8% of total U.S. beef production. Beef storage stocks at the beginning of 1974 were 40% higher than last year. Most foreign markets are closed to U. S. beef exports.

Dairy Imports

Projected milk imports will be above the average of recent years. The first six months of 1974, milk imports totaled 2 billion pounds of milk equivalent, an increase of 1.1 billion pounds from 1973. The value of exports fell by two-thirds, but imports nearly doubled. More than 98 million pounds of cheese were shipped to the U. S. during the first quarter of 1974. This was equal to about 1 billion pounds of milk which is 1% of the annual milk marketed by farmers, and 6% of the total U. S. production of cheese.

2. Purchases of U.S. beef by the Federal Government for contemporary consumption by such groups as the military, recipients in food programs, and children in the school lunch program.

The committee recommends the use of grass-fed beef to assist in reducing the over supply of this type of beef.

3. Crash program in the Federal Extension Service.

The committee found that the appreciation of the usage and preparation of grass-fed beef has been declining in the past two generations of the nations' citizens. In recent years, grain-fed beef has been the accepted major diet throughout America. The committee determined that the cost spread between grass-fed and grain-fed beef is so great that it has become nearly prohibitive to fatten cattle on grain. Therefore America needs the encouragement and expertise of the Federal Extension Service Agents of the US Department of Agriculture to initiate an immediate crash education pro-

gram emphasizing the value and quality, preparation and appreciation of wholesome and nourishing non-grain fed beef animals.

4. Re-evaluation of the methods for determining the price spreads between the farmer and consumer in beef products.

USDA reports show a widening spread between the farm and supermarket to the early part of 1974. Farm-retail price spreads for beef peaked in March 1974 at about 56 cents per pound, dropped slightly in April and May, and then rebounded to 54 cents in June. Now they appear to be leveling at 52 cents per pound.

A study at Texas A & M University, however, reveals a discrepancy in the statistical procedure used by the USDA and the difficulty in determining an accurate price spread because of the many different methods of purchasing and pricing of beef by the chains and independent grocers. The price spread for milk is simpler to determine. USDA reports show that during August, the farm-retail spread for milk increased to 40.8 cents per half gallon over the July spread of 39.2 cents. The farm value decreased sharply from 39.2 cents in July to 36.7 cents per half-gallon in August.

Producers are critical of the farm-retail spread reports because they feel that consumers believe the farm figure to be profit. The committee sees the need for equitable profits for all segments of the food chain.

LONG-RANGE PROJECT RECOMMENDATIONS AT THE FEDERAL LEVEL:

Long-range projects could contribute to lower consumer prices and more equitable profits and are recommended as follows:

1. Exemptions from the excessive regulations under the State Meat Inspection Act.

Custom slaughter houses - the number of slaughter houses in Texas has been decreasing in the past few years because of increased costs created by additional requirements. Custom operations are subject to state meat inspection as set forth by the federal law. Agriculture Commissioner John C. White pointed to the unduly stringent regulations applied to custom slaughter houses. Testimony revealed that over 400 public slaughter houses have been closed in Texas because of the State Meat Inspection Law as sent down by the federal regulations and Federal Law. The small number of slaughter facilities in Texas available for custom slaughtering has brought about an appointment system to permit a person to have his own animal slaughtered for private use. The Committee found there is a 90-day or longer waiting period. There is more demand than ever because of the higher beef prices and there is more demand for grass-fed beef. Dr. Rich, Program Coordinator for the State Meat Inspectors of Texas stated " many inquiries were made to his office concerning building and opening of new facilities for custom slaughtering". Testimony received by the Committee verifies that people are interested in building such facilities solely for the purpose of custom slaughtering. It

was further determined that if these facilities fall under the same rigid requirements as other slaughtering plants that the cost to building such facilities would be prohibitive because to meet the regulations handed down by the Federal Government, a minimum cost of a new facility or to even re-construct an old operation would be in excess of a quarter million dollars. The Committee recommends that immediate steps be taken to initiate or change the federal regulations whereas slaughter houses, strictly for custom work, would not fall under the State Meat Inspection Act.

2. Re-evaluation of present methods of estimating agricultural commodity reporting.

Inaccuracies of estimates is very prevalent. This data is determined from last years advanced cattle estimates and can be further substantiated with government estimates on other commodities such as grain and cotton. More intensive long-range forecasting must be accomplished to provide an even flow of goods to the consumer. State and Federal Crop Reporting Service is commended for its work; however, more personnel and data are needed to intensify efforts in determining long-range forecasting. Farmers and ranchers should be encouraged to be more accurate and cooperative with the Service for reports to be meaningful. A large differential and varying estimates tend to have an impact on commodity prices.

INDEX TO RECOMMENDATIONS FOR AIDING THE BEEF AND DAIRY INDUSTRY

IMMEDIATE RELIEF AT THE STATE LEVEL:

1. Consideration of State Milk Commission.
2. Make comparison of marketing and milk orders.
3. Investigate the transportation of milk and dairy products.
4. A crash program in the State Extension Service.
5. Encourage utilization of specialist in agricultural sciences by State investigative bodies.

RECOMMENDATIONS OF THE COMMITTEE

IMMEDIATE RELIEF AT THE STATE LEVEL:

1. Consideration of State Milk Commission.

The committee's intent is to take no action recommending a milk commission for Texas unless the milk industry comes forth with a firm consolidated proposal. The committee feels that if such proposal is made, the legislature will respond accordingly.

2. Make Comparison of Marketing and Milk Orders.

The committee recommends a study of other states with more than one milk order and explore the possibilities of one state milk order vs. several orders. The committee will assist the dairy industry in this area and make no recommendations at this time to the changing of the present situation in milk orders. However, if the industry comes forth with the assistance of the committee, any recommendations will be considered.

3. Investigate the Transportation of Milk and Dairy Products.

The committee recommends investigation of milk hauling contracts between producers to haulers and processors. The committee feels that this recommendation will help to establish equitable marketing practices.

4. A Crash Program in the State Extension Service

The committee found that the appreciation of the usage and preparation of grass-fed beef has been declining in the past two generations of the nations' citizens. In recent years, grain-fed beef has been the accepted major diet throughout the State. The committee determined that

the cost spread between grass-fed and grain-fed beef is so great that the has become nearly prohibitive to fatten cattle on grain. Therefore the State needs the encouragement and expertise of the State Extension Service Agents of the Texas Extension Service to initiate an immediate crash education program emphasizing the value and quality, preparation and appreciation of wholesome and nourishing non-grain-fed beef animals.

5. Encourage Utilization of Specialist in the Agriculture Sciences by State Legislature.

The committee recommends that all investigating bodies at the state level utilize specialists in Agricultural Sciences at our disposal. These consist of all Agricultural Extension Service personnel connected with the state universities and other state agencies.

