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# Livestock Marketing in the Upper Missouri River Basin Part II: The Sioux City Stockyards-Facilities and Costs of Operation

M. J. Powers

D. R. Bendt

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# Livestock Marketing in the Upper Missouri River Basin Part II

The Sioux City Stockyards—Facilities and Costs  
of Operation



Agricultural Experiment Stations of  
Alaska                      Minnesota  
Illinois                      Missouri  
Indiana                      Nebraska  
Iowa                          North Dakota  
Kansas                      Ohio  
Michigan                      South Dakota  
                                 Wisconsin  
                                 and the U. S. Department  
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Agricultural Experiment Station  
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## Foreword

This report is the second part of a series being published as part of the North Central Regional Project NCM-36, "Long Run Adjustments in Livestock Market Organization in the North Central Region."

Representatives from the following states and federal agencies participated in this study:

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## SUMMARY

The Sioux City Stockyards has had declining receipts in recent years.

The decline in receipts is primarily attributable to a decrease in salable slaughter receipts. Receipts of salable feeder livestock have also decreased, but not as much as salable slaughter receipts.

There was considerable variation in the monthly receipts of the stockyard during 1966. In general: The months of highest receipts for each species tended to occur in the fall; and the months of lowest receipts for each species tended to occur in the spring and summer.

More than half of the slaughter cattle and hogs purchased at the Sioux City Stockyards were purchased by slaughtering firms located at Sioux City and three-

fourths of them were purchased by slaughtering firms located within 100 miles of Sioux City. None of the slaughter sheep was slaughtered locally. Three-fourths of the slaughter sheep were purchased by firms within 500 miles of Sioux City.

The capacity of the stockyards was substantially under-utilized in 1966. This was true for the area allotted to packers for direct receipts and for dealers, as well as for the sales areas allotted to commission firms.

The costs of operating the Sioux City Stockyards in 1966 were \$1.43 per marketing unit of receipts. Fixed costs accounted for 37 cents of the total average costs, while variable costs equalled \$1.06. Income per marketing unit of receipts equalled \$1.47, most of which was obtained from yardage charges.

## IMPLICATIONS

This study was not intended to suggest that the Sioux City Stockyards is unique among stockyards in being affected by changes in the livestock marketing system. Rather, it is probable that the Sioux City Stockyards is a typical example of how these changes have affected the terminals in general. Thus, the implications of this study have application to more than just the Sioux City Stockyards.

Technological changes have made obsolete the idea that space is an important element in the definition of a market. Today widely scattered buyers and sellers can be in instant communication with each other via telephone, radio, and television. Transportation facilities are such that supplies can be quickly and easily distributed to areas of greatest demand. In short there is less need for large centralized markets to serve as collection points for livestock and there is less need for buyers and sellers to be in close physical proximity to have keen competition in a marketing system.

These technological improvements and the demise of the terminal market have resulted in inefficiencies in pricing and the costs of marketing. Prices discovered at terminal markets are widely quoted and exert considerable influence on prices at other points in the market, even though such terminal market prices may not be representative of the actual quantity and quality of the bulk of the livestock sold. Livestock are ship-

ped to the terminal market and purchased by a packer who often ships them back to a slaughter plant located near their original place of production. The resulting cost inefficiencies can be enormous.

This is not to imply that the terminal markets have not had an important influence on the growth of the livestock and meat industry in the United States. Indeed they have been a most important element in maintaining a freely competitive atmosphere in the pricing of livestock, and in earlier days they contributed mightily to lowering the costs of procurement for packers and the costs of marketing for producers.

The point is made, however, that the terminals must now adjust to the new realities, the new demands of a changed marketing system operated by new participants with new technologies and new demands. They must come to recognize that the nature of the two groups which purchase their services have changed. Both producers and packers are becoming more interested in marketing livestock through channels that provide reduced risk and detailed feedback on grade and yield. They are becoming more interested in marketing arrangements which minimize marketing and procurement costs and provide for pre-scheduled delivery. Thus, to survive as an important part of the livestock marketing system, the terminals must adjust to meet these demands.

# Livestock Marketing in the Upper Missouri River Basin Part II

## The Sioux City Stockyards—Facilities and Costs of Operation

by Mark J. Powers and Donald R. Bendt\*

### CHAPTER I INTRODUCTION

Since livestock holds an important position in the North Central Region, the availability of adequate livestock markets is vitally important to farmers and consumers. Operating within the North Central Region are several kinds of livestock marketing agencies. The major functions of these marketing agencies are to receive livestock from the various producing areas and to provide facilities and services which aid buyers and sellers in transacting business.

#### Purposes and Objectives of the Study

This study was part of a coordinated effort by the experiment stations at South Dakota, Nebraska, Iowa, Kansas, and North Dakota to determine the operational costs for alternative systems of marketing livestock in the upper Missouri River Basin. As part of that coordinated effort, this study focuses on a description of the Sioux City Terminal Market and its costs of operation.

The objectives of this research are to describe the current facilities and operations for livestock marketing and to determine the trends in receipts, the utilization of facilities and the costs and returns of operating the Sioux City Public Stockyards.

#### Procedure

The data for this study were obtained from several primary and secondary sources. Data relating to procurement area, value of assets and major costs of operation were obtained from the stockyards company. Data were also obtained from the Packers and Stockyards Division and Market News Service of U. S. Department of Agriculture. Other information was obtained by observing daily market operations at the stockyards and from interviews with stockyards company officials.

To be consistent with other studies on livestock marketing, the cost analysis was based on animal marketing units. A marketing unit is defined as 1 head of cattle, 2 calves, 3 hogs, or 5 sheep.

#### The Role of the Terminal Market

A public or terminal stockyard is defined by the American Stockyards Association as: "A market open

on equal terms to anyone desiring to sell or buy livestock; as being federally regulated and supervised under the provisions of the Packers and Stockyards Act of 1921; or a market at which the stockyard owner undertakes to only provide facilities and furnish services, but does not undertake to sell or buy livestock either for his own use or as an agent for others; and as a market at which selling functions are performed by two or more independent, registered market agencies or commission salesmen."

Terminal markets, the first major facilities organized in the United States for the orderly marketing of livestock, received their name from their early location at railway terminals. The construction of terminal market facilities was coincidental with the establishment at these locations of one or more packing plants, which in turn attracted dealers, traders, additional packing plants, processing firms, hide companies and other by-product plants to the area. The growth of the terminals made it advantageous for some packers to shift their slaughter operations from consuming areas in the East to the areas of livestock supply in the Midwest; thereby reducing their procurement costs.

Terminal markets also offered other major advantages. For the first time, livestock were brought together in sufficient numbers that price formation was no longer a major problem. The organized reporting of pricing information and the dissemination of market news were facilitated. Further, the method of selling created confidence in the terminals as markets where true or actual values were established.<sup>1</sup>

The terminal markets reached their peak about 1920 when they accounted for about 85% of the total livestock sold to federally inspected packing plants. Since that time they have gradually experienced a declining share until today they account for less than

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<sup>1</sup>For a more complete discussion, see Williams, W. F., and Stout, T. T., *Economics of the Livestock and Meat Industry*, New York: Macmillan, 1964, pp. 207-231.

one third of the total livestock sold to federally inspected plants.<sup>2</sup> Perhaps the single most important factor in the decline of the terminal market was technological change. Hard-surfaced roads increased the use of motor trucks for transportation of livestock and meats, thus reducing the locational advantage of terminals. Moreover, in some instances their locations became distinct disadvantages. Cities grew surrounding the stockyards causing increased values of land occupied by stockyards, packing plants and related facilities. Furthermore, physical facilities at many of the stockyards deteriorated and became old, obsolete, and inefficient as did many of the packing facilities.

The improved technology in transportation, refrigeration and communication enabled packing plants to decentralize because they were no longer dependent upon the railroads. New packing plants located nearer the concentrated areas of supply in the country where land, building costs and labor costs were cheaper. The growth of auction markets and direct selling further accelerated the trend away from terminals. Despite these developments, many terminal public stockyards are still operating in the United States. One of these is the Sioux City Public Stockyards at Sioux City, Iowa.

Terminal public stockyards and commission firms operating at such stockyards are similar to production-oriented firms in many respects, but they differ in some important ways. These differences do not seriously affect the applicability of economic theory to stockyards and commission firm operations, but an understanding of their operations is essential to an understanding of their responses to conditions they face.

### **Stockyards and Commission Companies As Providers of Service**

Stockyards and commission companies are providers of service rather than producers of goods in the generally accepted sense. The commission companies serve as sales agents for the producer, while the stockyards provide a set of physical facilities for the proper receiving, weighing, holding, selling, and loading out of the animals they handle. The stockyards also provide all labor necessary for the efficient operation of the market and the various auxiliary services required by sellers or buyers.

As publicly regulated marketing agencies, the commission firms are responsible for all transactions between buyers and sellers. They accept the responsibility of paying the seller for his animals, collecting payment from the buyer and accurately accounting for each transaction.

Since stockyards and commission companies are not producers of products in the usual sense of the word, they do not have the opportunity to exercise managerial skill in raw material procurement. They must look to internal operations for all efficiencies and to increased volume for higher levels of revenue. As public agencies, they must be prepared to handle all livestock consigned to them during each sales day. Both physical facilities and variable inputs must be available in sufficient quantity to handle the largest anticipated volumes.

### **Knowledge and Control Over Supply**

Public stockyards must accept for sale all livestock delivered to them. Although they attempt to increase the overall supply through various promotion and advertising methods, they cannot effectively control supply in terms of scheduling supply from sale period to sale period. Further, they generally have little or no advance knowledge about the supply for any one time period. Consequently, the yards operate most of the time with considerable excess capacity.

This excess capacity is an economic cost to the market. It causes fixed costs and variable costs to be higher than would be necessary if the market were in a position to regulate supply.

### **Administered Pricing**

All public terminal stockyards and commission firms operate under the rules and regulations of the Packers and Stockyards Act. They are required to post a schedule of charges for all services performed at the market and any changes in these schedules must be filed in writing with the U. S. Department of Agriculture in Washington, D. C., at least 10 days before they are to take effect. Once this schedule is established, it is inflexible over the short run. Consequently, the market is not able to vary the price of its services to optimize net income in the short run.

Although these characteristics may not be major problems when considered individually, the implication can be quite important when considered in combination. The maintenance of overbuilt facilities increases costs. The lack of knowledge of and control of supply adds to the excess capacity problem and prevents efficient scheduling, and the lack of control over pricing of services in the short run prevents the market from varying its charges to optimize revenue.

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<sup>2</sup>Ibid.



## CHAPTER II

### THE SIOUX CITY STOCKYARDS

The Sioux City Stockyards is located in the South Central area of Sioux City, Iowa, at the confluence of the Missouri and Floyd Rivers. It had its beginning in 1887 when several Sioux City businessmen formed the Union Stockyards Company and built a small stockyard and two packing plants.

Improvements and additions to the facilities have been made over the years so that today the Sioux City Stockyards comprises 150 acres of land and handles one of the largest volumes of any public stockyards in the United States. In 1966 the yards was the second largest terminal market in the United States handling 1,442,692 head of cattle and calves, 1,753,857 head of hogs and 301,776 head of sheep.

The Sioux City Stockyards owns two subsidiary companies and their facilities which are also located on stockyards property. These companies are the Sioux City Terminal Railway Company, which provides rail service to the yards and to adjacent firms, and the Stockyards Service & Supply Company, which provides steam for heating and other needed services to the stockyards and to adjacent firms.

#### Services of Stockyards

The stockyards company specializes in and derives its income from providing a variety of services essential to the orderly functioning of the market. These services are provided 24 hours per day and seven days per week and are available to commission firms, packers, associated businesses, and livestock producers.

The stockyards collects a yardage charge from commission firms and packers for the use of pens, for moving the livestock in the yards, and for penning, weighing and watering. Other services for which charges are made include dipping and spraying. Allied businesses also provide brand inspection, insurance and vaccination services. The stockyards company supplies feed and bedding used by livestock at the yards. The consignor of the livestock or his agent, though, decides whether or not the livestock are to receive feed and the kind and quantity of feed to be given. The per unit charge for feed is based on local cost plus a handling margin. All charges for the services described above must be approved by the Packers and Stockyards Division of the U. S. Department of Agriculture.

The stockyards company also rents office space and provides janitorial services, electricity, and heat to most market sales agencies, packers, and businesses that operate on stockyards' land. Many additional

services—some free of charge, some for a fee—are supplied by the stockyards company on the request of the consignor or his agent.

#### Relative Size and Rank of Sioux City Stockyards

In 1961 the Sioux City Stockyards handled the third largest volume of all terminal public stockyards in the United States, ranking just behind Omaha and South St. Paul. By 1966 Sioux City ranked second ahead of South St. Paul, but still behind Omaha. All of the top 10 public stockyards had declines in salable receipts during the 1961-66 period, though Sioux City's decline in receipts was less than the decline at some of the other markets. In terms of salable receipts in individual classes during 1966, the Sioux City Stockyards ranked third in cattle, calves and hogs, and fifth in sheep (See Appendix Tables 1 and 2).

### MARKET RECEIPTS

#### Total Receipts by Class, 1961-66

From 1961 through 1966 there was a general decline in the total receipts of each class at the Sioux City Market (See Table 1). The declines were: Cattle 19%, calves 1%, hogs 21% and sheep 46%. The total number received of all classes declined by 22.8%. Hogs accounted for nearly 46% of all overall decline, while sheep and cattle accounted for 25% and 29% of the decline, respectively.

Total receipts are composed of "salable" receipts, which are the livestock that are offered for sale by commission firms or dealers at the stockyards; "direct" receipts, which are livestock that move directly to a buyer who is located at or near the stockyards but who uses pens at the stockyards for receiving livestock; and "through" receipts, which are livestock that are being transported to some distant point and which require stops for rest, feed and water. To analyze more thoroughly the decline in total receipts, it is useful to look at the changes in each of these components.

#### Salable Receipts by Class, 1961-66

The change between 1961 and 1966 in salable receipts for each of the classes varied somewhat from the changes in total receipts (See Table 2). Salable receipts of calves increased by 3.5% as opposed to a 1.2% decline in total receipts. Salable hog receipts declined by only 8.9% as opposed to a decline in total hog receipts of 21.2%. The decline in salable receipts for cattle and sheep amounted to 16.1%, somewhat less than 22.8% decline in total receipts.



Table 1. Total Receipts Handled by Sioux City Stockyards, 1961-1966.

Year	Cattle (Head)	Calves (Head)	Hogs (Head)	Sheep (Head)	Total (Head)
1961	1,578,691	165,323	2,225,043	560,191	4,529,248
1962	1,581,890	200,924	2,363,423	494,065	4,640,302
1963	1,378,961	164,578	2,228,658	441,674	4,213,871
1964	1,433,877	166,281	1,982,903	361,883	3,944,944
1965	1,390,420	165,097	1,686,291	310,002	3,551,810
1966	1,279,393	164,299	1,753,857	301,776	3,498,325
Decline 61-66	299,298	2,024	471,186	258,415	1,030,923
Percent Decline (Head)	18.96%	1.2%	21.2%	46.1%	22.8%
Percent Total Decline (Head)	29.0	0.2	45.7	25.1	100.0

Table 2. Salable Receipts at Sioux City Stockyards, by Species, 1961-1966.

Year	Cattle (Head)	Calves (Head)	Hogs (Head)	Sheep (Head)	Total (Head)
1961	1,519,328	145,074	1,919,319	432,319	4,015,979
1962	1,473,702	177,396	1,988,299	357,243	3,996,640
1963	1,296,334	153,846	2,027,736	350,017	3,828,133
1964	1,368,771	151,888	1,975,461	304,867	3,800,987
1965	1,341,127	150,069	1,679,488	245,939	3,416,623
1966	1,231,420	150,295	1,747,870	242,052	3,371,637
Change	-287,908	+5,221	-171,388	-190,267	-644,324
Percent Change	-18.9%	+3.5%	-8.9%	-44.0%	-16.1%
Percent of Total Decline	44.4	*	26.3	29.3	100.0

\*Did not decline.

Most of the decline in salable receipts can be attributed to the decline in slaughter receipts. This was true for the individual classes as well as for all classes combined. The data in Table 3 indicate that the largest part of the decline in salable hog receipts, 88.1%, was due to the decline in receipts of slaughter hogs. The decline in salable receipts of cattle and sheep attributable to declines in slaughter receipts of those classes, was 58.5% and 61.0%, respectively. In terms of the total decline in salable receipts of all classes, 67.1% is due to the decline in slaughter receipts and 32.9% is due to the decline in feeder and stocker receipts (See Appendix Table 3 and 4 for data on changes in slaughter receipts and feeder receipts).

Table 3. Percent of Decline in Salable Receipts at Sioux City Stockyards from 1961 Through 1966 Accounted for by Decline in Slaughter Livestock and Feeder Livestock Receipts, By Species.

	Cattle and Calves	Hogs	Sheep	Total
Slaughter	58.5%	88.1%	61.0%	67.1%
Feeder and Stocker	41.5	11.9	39.0	32.9
Total	100.0	100.0	100.0	100.0

## Direct Receipts All Classes, 1961-66

There was considerable year-to-year variation in the "direct" receipts at the Sioux City Stockyards. Cattle and calves received "direct" at the yards varied from a high of 62,905 head in 1962 to a low of 22,220 head in 1965.<sup>3</sup> Similarly, "direct" hog receipts fluctuated from 340,889 head in 1962 to 5,018 head in 1965. Sheep received "direct" declined from 50,135 head in 1961 to no "direct" receipts in 1964 and 1966, and only 141 head in 1965 (See Table 4). The disappearance of "direct" sheep receipts is attributable to the discontinuance of all local sheep slaughter by Sioux City packers midway through 1963.

Table 4. Direct Receipts at Sioux City Stockyards, by Species, 1961-66.

Year	Head of			Total Head
	Cattle and Calves	Hogs	Sheep	
1961	24,311	278,118	50,135	325,564
1962	62,905	340,889	47,694	451,488
1963	41,385	199,066	21,631	262,082
1964	45,257	5,926		51,183
1965	22,220	5,018	141	27,379
1966	25,653	5,098		30,751
Change 1961-66	+3,142	-273,020	-50,135	-321,813
Percent change	+5.5%	-98.2%	-100%	-91.2%
Percent of total decline		84.8	15.2	140.0

The percentage changes in number of head of each species received "direct" at the Sioux City Stockyards were: A 5.5% increase in cattle and calves, a 98.2% decline in direct hog receipts, and a 100% decline in direct receipts of sheep. Total "direct" receipts declined by 91.2%, 84.8% of which was attributed to hogs, and 15.2% to sheep.

## Through Receipts—All Classes, 1961-66

Receipts of livestock that were destined for points beyond Sioux City, but stopped off at the Sioux City Stockyards for rest, feed and water, declined from 1961 through 1966, although "through" receipts of both cattle and calves, and sheep during 1966 were above their lows of 1964 (See Table 5). Cattle and calf "through" receipts declined by 34.3%, hog "through" receipts declined by 96.7%, and sheep "through" receipts by 23.1%. The total number of "through" receipts for all species declined by 39.6% of which 29.7% of the total decline was attributable to cattle and calves, 42.0% to hogs, and 28.3% to sheep.

<sup>3</sup>Direct receipts of cattle and calves are not reported separately, thus they are combined in this section.

**Table 5. Through Receipts at Sioux City Stockyards by Species, 1961-1966.**

Year	Cattle and Calves	Hogs	Sheep	Total
1961 .....	55,301	27,677	77,737	160,715
1962 .....	68,811	33,895	89,128	191,834
1963 .....	51,647	1,856	70,026	123,528
1964 .....	34,242	1,516	57,016	92,774
1965 .....	42,101	1,785	63,922	107,808
1966 .....	36,324	889	59,724	96,937
Change .....	-18,977	-26,788	-18,013	-63,778
Percent Change .....	-34.3%	-96.7%	-23.1%	-39.6%
Percent of total decline .....	29.7	42.0	28.3	100.0

## Summary

The decline in total receipts was primarily due to a decline in the salable receipts. The data in Table 6 indicate that 62.6% of the decline in total receipts was due to the decline in receipts of salable livestock, while 31.2% of the decline in total receipts is attributable to the decline in "direct" receipts and 6.2% to the decline in "through" receipts. Most of the decline in salable receipts which contributed to the decline in total receipts is attributable to the decline in cattle, which accounted for 27.9% of the decline in total receipts. Decline in salable sheep and hogs accounted for 18.3% and 16.6% of the decline in total receipts.

**Table 6. Percent of Decline in Total Receipts from 1961 Through 1966 as Accounted for by Salable Receipts, Direct Receipts, and Through Receipts (by Class), Sioux City Stockyards.**

	Cattle	Calves	Hogs	Sheep	Total Receipts
Salables ..	27.9%	*	16.6%	18.3%	62.8%
Direct .....	*	*	26.4	4.8	31.2
Through ..	1.7	.1%	2.5	1.7	6.0
Total .....					100.0

\*Did not decline.

Declines in salable sheep and hogs accounted for 18.3% and 16.6% of the decline in total receipts. Direct receipts of cattle and calves did not contribute to the decline in total receipts. Direct receipts of hogs and sheep, however, were responsible for decline of 26.4% and 4.8% in the total receipts. Through receipts of all species declined by a very small amount. Through receipts of hogs accounted for 2.5% of the decline in total receipts, while through receipts of cattle and sheep accounted for 1.7% and calves for 0.1% of the decline in total receipts.

## The Composition of Total Receipts

The composition of total receipts at Sioux City did not change greatly between 1961-1966 (See Table 7).

Sheep accounted for a slightly lower percentage of total receipts in 1966 than in 1961, while cattle, calves and hogs each accounted for a slightly higher percentage of total receipts. In general, hogs accounted for about half of the total number of livestock received and cattle accounted for slightly more than one-third of livestock received during all the years between 1961-66.

**Table 7. Percentage of Total Receipts Accounted for by Each Class, Sioux City Stockyards, 1961-66.**

Year	Cattle	Calves	Hogs	Sheep
1961 .....	34.8%	3.6%	49.1%	12.3%
1962 .....	34.0	4.3	50.9	10.6
1963 .....	32.7	3.9	52.8	10.4
1964 .....	36.3	4.2	50.2	9.1
1965 .....	39.1	4.6	47.4	8.7
1966 .....	36.5	4.6	50.1	8.6

## Analysis of Factors

### Contributing to Decline in Receipts

Receipts at nearly all terminal public markets have been trending downward for a number of years. Many of the factors contributing toward this long term decline continued to operate during the 1961-66 period and contributed to the decline in all receipts at Sioux City during that period. For example, the development of hard surfaced, easy-access highways and the increased use of the motor truck for transporting livestock has enabled many farmers to by-pass the terminal market and deliver their livestock direct to the slaughtering plant. The increased use of truck transportation has lessened the packers' dependence upon the railroads, which has enabled them to locate new plants in the country near the areas of concentrated production where land, building, and labor costs are usually less costly than at the terminals.

Another basic factor which has affected the receipts at the terminal markets has been the increased competition from auction markets. Data on packer purchases for the United States (Shown in Table 8) indicate that from 1961 to 1966 the terminal public stockyards declined, while country dealers, direct marketing, and auction markets increased as a source of supply for parkers. The decline in packer purchases at all terminal public stockyards was general throughout the time period for all classes. Cattle purchases at terminal public stockyards declined 14.8%; calves 9.7%; hogs 8.2%; and sheep 13.5%. Packers increased their direct purchases and purchases from country dealers for each class except calves. The decline in packer purchases from country dealers and direct purchases of calves was nearly 9%, while the increases for the other classes were 10.6% for cattle, 1.7% for hogs, and 10.6% for sheep. Likewise, the increase in

Table 8. Summary of Livestock Purchases by Packers Through Different Market Outlets, 1960-66.\*

	Cattle		Calves		Hogs		Sheep	
	1,000 (Head)	Percent	1,000 (Head)	Percent	1,000 (Head)	Percent	1,000 (Head)	Percent
<b>Direct Country Dealers, etc.</b>								
<b>All Packers</b>								
1960	8,420	38.6%	2,572	42.5%	47,104	61.0%	7,654	54.0%
1961	8,714	38.0	2,384	37.5	42,791	59.6	8,591	52.3
1962	9,086	38.6	1,914	31.0	45,269	59.6	7,681	56.0
1963	10,518	43.1	2,031	35.4	48,354	60.7	8,493	56.0
1964	12,363	44.6	2,081	31.7	51,964	63.1	8,430	57.7
1965	13,455	45.1	2,351	34.3	46,613	62.9	8,127	62.4
1966	14,994	49.2	2,095	33.7	43,255	62.7	8,274	64.6
<b>Terminal Markets</b>								
<b>All Packers</b>								
1960	9,987	45.8%	1,538	25.4%	23,356	30.3%	5,020	35.4%
1961	9,677	42.3	1,470	23.1	21,012	29.2	6,037	36.8
1962	10,030	42.6	1,436	23.3	22,304	29.3	5,504	35.4
1963	9,546	39.1	1,042	18.2	21,136	26.5	4,561	30.1
1964	10,124	36.5	1,231	18.8	19,608	28.3	4,180	28.6
1965	10,162	34.0	1,127	16.5	17,375	23.4	3,321	25.5
1966	9,434	31.0	976	15.7	15,246	22.1	2,803	21.9
<b>Auction Markets</b>								
<b>All Packers</b>								
1960	3,399	15.6%	1,940	32.1%	6,695	8.7%	1,493	106.%
1961	4,511	19.7	2,502	39.4	8,025	11.2	1,799	10.9
1962	4,428	18.8	2,823	45.7	8,461	11.1	2,356	15.2
1963	4,343	17.8	2,663	46.4	10,125	12.7	2,118	14.0
1964	5,244	18.9	3,242	49.5	10,801	13.1	2,007	13.7
1965	6,235	20.9	3,373	49.2	10,151	13.7	1,571	12.1
1966	6,028	19.8	3,153	50.6	10,458	15.2	1,722	13.5

\*Summarized from annual reports of packers filed with the Packers and Stockyards Division, C&MS. Includes data for all firms purchasing more than 1,000 head of cattle, or 2,000 head of all livestock during the reporting period.

packer purchases through auction markets was 4.2% for cattle; 18.5% for calves, 6.5% for hogs and 2.9% for sheep. Overall, terminal markets became less important as a source of supply during 1961-64.

The Sioux City Terminal receives some, but not a great deal, of competition from auction markets for slaughter livestock. Very few slaughter cattle and very few slaughter hogs are sold through auction markets in the area from which the Sioux City Stockyards receives its livestock. It does, however, receive substantial competition for feeder cattle and hogs from the auction markets. Further, it receives direct competition from packing plants located in the Sioux City area which rely heavily on slaughter receipts delivered direct to the plant by-passing the terminal market.

Public stockyards in the North Central States also became less popular as a source of supply for stocker and feeder cattle, sheep and lambs during the early part of the 1960's. The data in Table 9 indicate that the percentage of stocker and feeder cattle shipped into selected North Central States from public stockyards declined from 37.0% in 1961 to 33.0% in 1966. Sheep shipments from public stockyards similarly, declined from 29.7% in 1961 to 26.2% in 1966.<sup>4</sup>

<sup>4</sup>Selected states include South Dakota, Iowa, Minnesota, Ohio, Indiana, Nebraska, Michigan, and Illinois.

Table 9. Direct Shipments and Shipments from Public Stockyards of Stocker and Feeder Cattle, Sheep and Lambs into Selected North Central States, 1961-66.\*

Year	(Head) Total Direct Shipments and Shipments from Public Stockyards	Percent Shipped Direct	Percent Shipped from Public Stockyards
<b>Cattle</b>			
1961	6,338,721	63.0%	37.0%
1962	7,137,815	64.5	35.5
1963	6,612,122	66.0	34.0
1964	2,547,217	79.0	21.0
1965	7,229,908	63.1	36.9
1966	8,056,101	67.0	33.0
Percent Change	+27.0%	+4.0%	-4.0%
<b>Sheep and Lambs</b>			
1961	3,032,839	70.3%	29.7%
1962	2,682,058	69.0	31.0
1963	2,403,268	77.4	22.6
1964	2,547,217	79.0	21.0
1965	2,156,523	74.6	25.4
1966	1,987,796	73.8	26.2
Percent Change	-34.3%	+3.5%	-3.5%

Source: USDA Livestock and Meat Statistics, CMS-SRS-ERS. Supplement to Statistical Bulletin No. 333.

\*States include Ohio, Indiana, Minnesota, Iowa, South Dakota, Nebraska, Illinois, Michigan.

The Sioux City Stockyards experienced the same decline as did other public stockyards in the North Central Region in stocker and feeder livestock. The

data in Table 10 indicate that stocker and feeder cattle shipments from Sioux City declined by 24.3% during a time period, 1961 to 1966, when total direct shipments and shipments from public stockyards in selected North Central States increased by 27%. Similarly, stocker and feeder sheep and lamb shipments from Sioux City declined by 50.4% while total direct shipments and shipments from public stockyards in selected North Central States declined by only 34.4% from 1961 through 1966. Thus it seems, that although the declines in stocker and feeder shipments from terminals have been general throughout the North Central States, the declines at the Sioux City Terminal have been greater than for the area as a whole.

**Table 10. Stocker and Feeder Shipments from Sioux City Stockyards, by Class, 1961-1966.**

Year	Head of			
	Cattle	Calves	Hogs	Sheep
1961 .....	459,224	165,323	39,414	188,045
1962 .....	426,311	200,924	46,858	158,821
1963 .....	294,308	164,578	35,657	126,340
1964 .....	334,368	166,281	32,291	107,417
1965 .....	413,174	165,097	21,346	90,671
1966 .....	347,569	163,299	20,339	93,347
Change ..	-111,655	-2,024	-19,075	-95,058
Percent Change ..	-24.3%	-1.2%	-48.3%	-50.4%

The decline in "through" receipts has been general at all public terminal markets for some years and the decline at the Sioux City Stockyards is a continuation of the trend.<sup>5</sup> This declining trend in "through" receipts is attributable to: Improved efficiency in rail transportation, making it possible to go greater distances in a given amount of time; an increased tendency on the part of shippers to waive the 28-hour limit that livestock can be continuously in transport; and an increased use of truck transportation, which is not subject to the 28-hour rule.

A further indication of the effects all of these factors have had on the Sioux City market can be ascertained from data on local livestock slaughter at Sioux City, as compared to total receipts at the Sioux City Stockyards. The data in Table 11 indicate that local hog slaughter as a percent of total hog receipts at the terminal declined from 70.4% in 1961 to 52.3% in 1966. Local sheep slaughter declined from 40.8% of total receipts at the terminal in 1961 to zero in 1966. The percentage of local cattle slaughter in terms of total receipts remained relatively constant between 1961 and 1966. Much of the decline in local slaughter can be attributed to the decision in 1963 by a major packing company to close its packing operations at the terminal market and to the discontinuance of sheep slaughter by all local plants in 1963.

**Table 11. Local Slaughter as Percent of Total Receipts, Sioux City Stockyards, 1961-66.**

Year	Cattle and Calves	Hogs	Sheep*
1961 .....	43.5%	70.4%	40.8%
1962 .....	45.8	69.3	42.7
1963 .....	40.4	60.7	19.4
1964 .....	46.6	50.1	0
1965 .....	45.1	51.0	0
1966 .....	44.7	52.3	0

\*All local sheep slaughter was discontinued in 1963.

## VARIATION IN RECEIPTS

### Monthly Receipts

There was considerable seasonal variation in the monthly receipts for all classes of livestock during the 1961-66 period (See Appendix Tables 5 and 8). The bar graphs in Figure 1 indicate the number of times the various months represented highs and lows in receipts for each of the classes. The months of highest receipts for hogs, cattle and calves were always October, November, December or January, while the peak months for sheep ranged through January, August, September, and October. In general, the peak months for cattle, calves, and hogs coincide closely with the expected marketing patterns for the area. Feeder calves and cattle normally flow off the western ranges in the fall, thus we would expect higher receipts during the fall months. Also, hog marketings normally peak during the late fall and early winter months and reach their lows during the spring and early summer months, reflecting the tendency for smaller farrowings in the winter.

The months of lowest receipts varied extensively for all classes, with the months from February through September representing the low at least once.

The wide fluctuations in monthly receipts cause some formidable problems for the stockyards. For instance, fluctuations make it difficult to determine exactly the number of employees needed each month, the amount of feed and supplies to have on hand for each month, etc. Furthermore, fluctuations mean that during the months of low receipts the stockyards' facilities are substantially under-utilized. In general, though, these problems can be minimized because the monthly trends tend to follow the same pattern each year thus enabling some adaptation of operations to coincide with the short term trends.

### Daily Receipts

To determine the pattern of receipts during the week, data for selected weeks during each quarter of the year were obtained for the years 1961-66.<sup>6</sup> Receipts

<sup>5</sup>Williams, W. and Stout, T., pp. 216-217.

<sup>6</sup>Every third week selected.

tended to be highest early in the week and to decline gradually during the rest of the week. Monday was the day of highest volume for each of the classes. On the average, 65.7% of the total weekly receipts for calves, 37.5% of the sheep receipts and 42.9% of the cattle receipts were received on Mondays. The hog receipts, however, tended to be much more evenly spaced during the week, averaging 23.5% on Mondays, 21.2% on Tuesdays and Thursdays, 18.7% on Wednesdays and 15.2% on Fridays (See Figure 2 and Appendix Tables 9 through 10).

Concentration of receipts on Monday is assumed to have important effects on operational efficiency and operational costs of the market agencies. These agencies must have sufficient labor and facilities to give satisfactory service during the first part of the week while letting these facilities remain under-utilized the rest of the week. This tends to reduce efficiency and increase per unit cost from that obtainable with a more uniform pattern of receipts. The market agencies have adjusted to this pattern of receipts by utilizing their labor during the latter part of the week for country visits and solicitation.

There are a variety of reasons for this early week market. Cramer,<sup>7</sup> in his study of the pattern of receipts of 19 Midwest markets, found that one of the main reasons for the early week market was the farmers' demand for transportation services on Monday. This belief stemmed in part from truckers' advice to farmers that packers tend to bid more aggressively on Monday than they do later in the week. Trucking schedules also tended to affect the daily patterns of receipts. Sixty-four per cent of the truckers who had regularly scheduled trips to the market scheduled them on Monday. This stemmed in part from the farmers' demand for shipping services on Monday and in part from truckers' desires to haul on the day that would easily allow them to obtain a back haul. In general, the farmers, truckers, and commission firm personnel interviewed, all expressed the belief that the main reason for the early week market was that packers tended to bid more aggressively early in the week than later in the week in an attempt to fill their weekly needs quickly.

<sup>7</sup>Cramer, C. L., *Why the Early Week Market*, North Central Regional Publication No. 91, Missouri Agricultural Experiment Station Bulletin No. 712, October 1958, pp. 4-17.

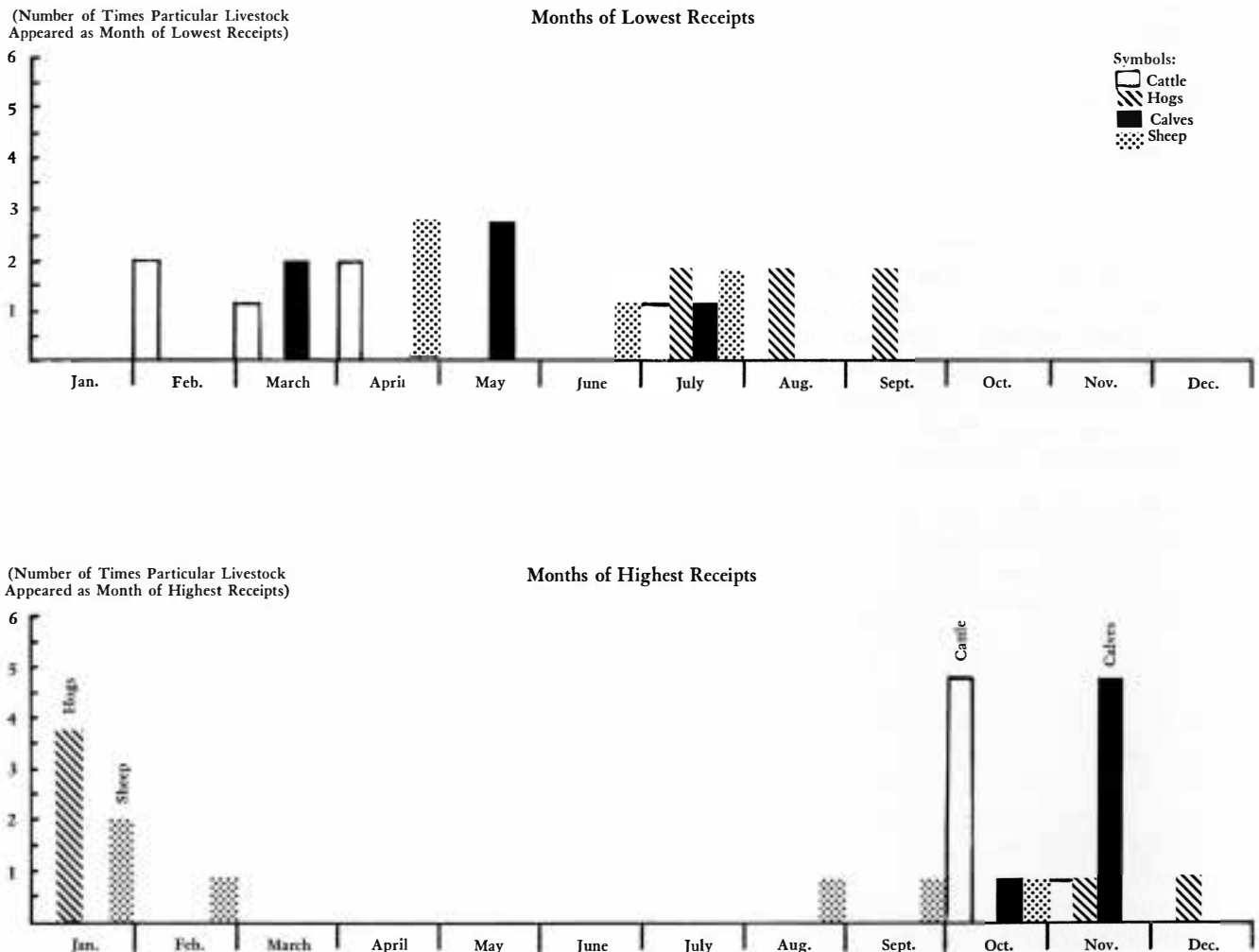
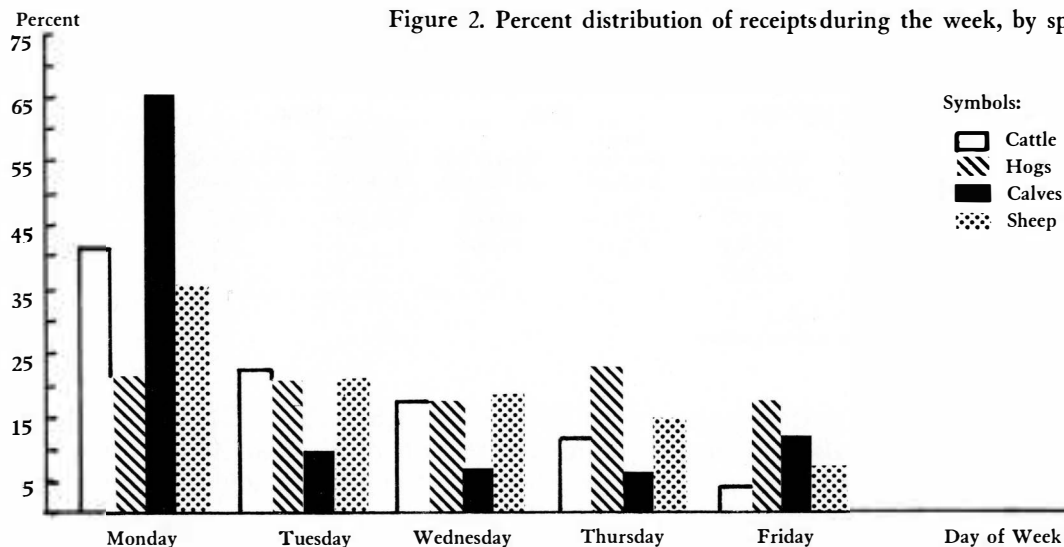


Figure 1. Months of lowest and highest receipts, 1961-66, Sioux City Stockyards, by Species.



### AREA FROM WHICH SIOUX CITY TERMINAL MARKET ATTRACTS SLAUGHTER BUYERS

The Sioux City public stockyards is an important source of supply for cattle and hog slaughtering plants located in and near the immediate Sioux City area. During 1966, over 50% of the slaughter cattle and hogs received at the yards were sold to packing firms located at Sioux City. Firms located within 75 miles of the stockyards purchased 75% of the slaughter cattle, and firms located within 125 miles purchased 90% of the slaughter cattle. Firms located within 100 miles of the yards purchased 75% of the slaughter hogs and firms within 350 miles purchased 90% of the slaughter hogs. The distance from which buyers came to purchase sheep was greater than it was for slaughter cattle and hogs. In general, about 75% of the slaughter sheep was purchased by buyers from Chicago and St. Louis, a distance of almost 500 miles. Ninety per cent of the slaughter sheep were purchased by plants located 1,000 miles from Sioux City (See data below).

#### Radius of Disposal of Slaughter Livestock Receipts (miles), 1966.\*

Percent of Livestock Purchased	Cattle	Hogs	Sheep
(Within Radius in Miles Indicated Below)			
50% -----			500
75% -----	75	100	500
90% -----	125	350	1000

\*Based on estimate provided by Stockyards Company.

### UTILIZATION OF CAPACITY

It is extremely difficult to arrive at a precise measure of the capacity of a stockyards. The difficulties stem from the uniqueness of the stockyards as a firm.

The stockyards has no control over the uniformity or number of the supply of livestock it receives nor of the timing of the receipt of this supply. This results in some significant operating problems.

Commission sales agents in attempting to secure the highest price possible for the seller will sort loads of livestock according to grades and sex and present the separate more uniform lots to buyers for bidding. This sorting may necessitate the use of two or three pens when one pen would have been sufficient if the livestock had not been sorted. It could work out, and often it does, that the two or three pens used may be designed to hold more livestock than actually utilize them. Thus, much of the space is technically not utilized and the pens as a whole are underutilized.

This same situation occurs when many small-size lots are received. For example, six producers each bringing in a small number of livestock may utilize more or less than six pens, depending on the variation in the sex, grade and kind of animals. Dairy cows, beef cattle, slaughter animals and feeder stock usually are penned separately.

A further problem in defining capacity involves the time period considered. Often times livestock received on one day will not be sold that day and will be available for sale the next day. This results in one group of animals utilizing a pen for two days. This sort of thing usually happens on a Monday when receipts of livestock are heavy. Thus, calculating capacity on a daily basis might result in an unreliable estimate of the actual space available at the yards on any given day. Very few animals would be held for sale at the yards more than one or two days, and seldom would any be held over a weekend. Thus, to account for receipts that may be held for sale at the yards longer than one day the logical time period for consideration in a utilization-of-capacity study at a terminal public market is one week.

**Table 12. Estimated Weekly Capacity of Sioux City Stockyards Based on 50 Percent Utilization of Square Feet of Space Available for Commission Firm Sales, Dealer Sales and Packer's Direct Receipts, 1966.**

	Cattle and Calves		Hogs		Sheep	
	Square Feet Space Available	Weekly Animal Capacity	Square Feet Space Available	Weekly Animal Capacity	Square Feet Space Available	Weekly Animal Capacity
Commission Firms..	667,724	69,552	222,096	69,405	67,224	21,007
Packer Directs .....	160,934	16,762	63,992	19,997	.....†	.....†
Dealers .....	204,354	21,285	*	*	*	*

\*No space is allocated specifically to dealers.

†No space is allocated for direct receipts of packers.

Pen space alone is not sufficient for determining the capacity of a stockyards. One must also consider the supporting equipment and labor needed for performing all of the functions of the stockyards: For example, the number and capacity of scales available for weighing livestock, and the time, equipment, and labor available for maintenance and cleaning. Probably the most limiting of these factors would be the time. The labor force could be increased in the short run, but time must be available when pens are empty for cleaning and maintenance.

Because of these problems in measuring capacity, it is difficult to arrive at a definite figure for the capacity of the Sioux City Stockyards. Nevertheless, one can obtain a general idea about the degree to which the stockyards is utilized by making some assumptions about the effect these factors have on total space available for use during any one week. For purposes of this study it was assumed that 50% of the available pen space for salable receipts had to go unutilized in order to account for the above mentioned factors. Conclusions have been based on estimates of square feet of space allocated to commission firms, packers and dealers.

It should be noted that if the assumed space necessary to allow for normal operations of the yards were increased to 60% or decreased to 40%, the resulting estimated capacity figure would be quite different. Further, it should be emphasized that these capacity figures are designed primarily to provide an indication of the degree to which the Sioux City Stockyards uses its facilities. These figures should not be considered as exact estimates of actual capacity. It should also be pointed out that these capacity calculations are based only on sales areas for commission firms and dealers. They do not include the space set aside for holding pens. There is no need to include the space utilized for holding pens, because utilization of such pens will be reflected in the calculations for utilization of the sales pens.

The Sioux City Stockyards provided estimates of the square feet of pen space they had available in 1966 for commission firm sales, packers' receipts,

and dealer's sales (See Table 12). Using the minimum requirements of 24 square feet per animal for cattle, 8 square feet per hog and 8 square feet per sheep, the number of head of each species that could be accommodated daily in the space allotted to each group was estimated. Multiplying that figure by 5 days put the results on a weekly basis.

Assuming it is necessary that 50% of the space go un-utilized in order to allow for sorting of livestock into uniform lots and cleaning and maintenance of pens, the weekly figures were reduced by one-half. The resultant figures represent the estimation of capacity (See Table 12).

Figures 3, 4, and 5 present the allocation for space available in each of the livestock divisions. In the cattle division 38% of the total space is allocated to commission firms for sales pens, 11.6% is allocated to dealers and traders for sales pens and 9% is allocated to packers for holding their "direct" receipts. Thirty-one per cent is allocated to holding pens for "through" receipts and for receiving and loading out cattle. In the hog division 38.1% of the space is allotted to commission firms for sales pens and 11% to packers for their "direct" receipts. The large allocation, 41.4% of space to holding pens, is necessary because during the winter months hogs must be held in separate bedded pens until just prior to sale time when they are transferred to sales pens. The sheep division has 57% of its total space allocated to commission firms for sales pens. No pens are allotted for packers "direct" receipts nor for dealers because there is no local slaughter of sheep. Only 18.8% of the sheep division's space is allocated for holding pens.

The degree to which the capacity of the cattle division at the Sioux City Stockyards was utilized in 1966 was not high. On the average only 35% of the weekly capacity of the area allocated for commission firm's sales was utilized, while 7.3% and 10.7% of the weekly capacity of the areas allocated to packers and to dealers, respectively, were utilized. During the weeks of highest receipts for each of the three groups the degree of utilization was not much



greater, being 56.3% for commission firms' sales area, 9.1% for the area allocated to packers and 18.5% for the dealers' sales area (See Table 13). The data indicate that even during the weeks of highest receipts a substantial percent of the capacity of the cattle division is not utilized.

The utilization of the weekly capacity of the area allotted for commission firms' sales was somewhat higher in the hog division than in the cattle division. During the average week almost half (48.3%) of the capacity was utilized. During the week of highest receipts 70% of the capacity was utilized. This suggests that the hog facilities allocated for commission firms' sales are only slightly underutilized during the periods of peak hog receipts. The pens set aside for direct receipts of hogs for packers were utilized at considerably below their weekly capacity.

Figure 3. Graphic illustration of distribution of cattle areas.

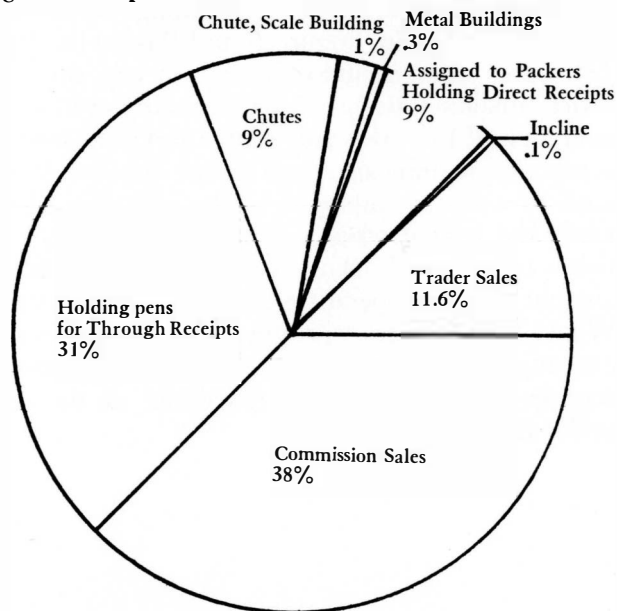


Figure 4. Graphic illustration of distribution of hog areas.

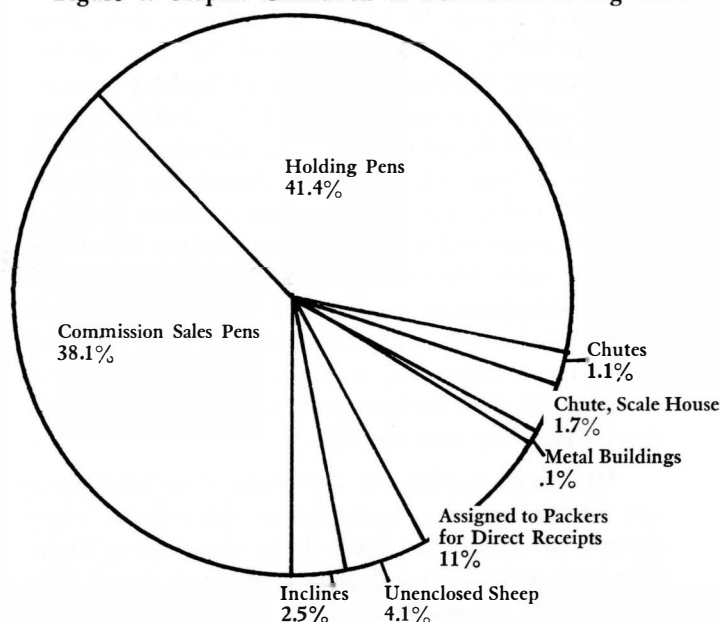


Figure 5. Graphic illustration of distribution of sheep areas.

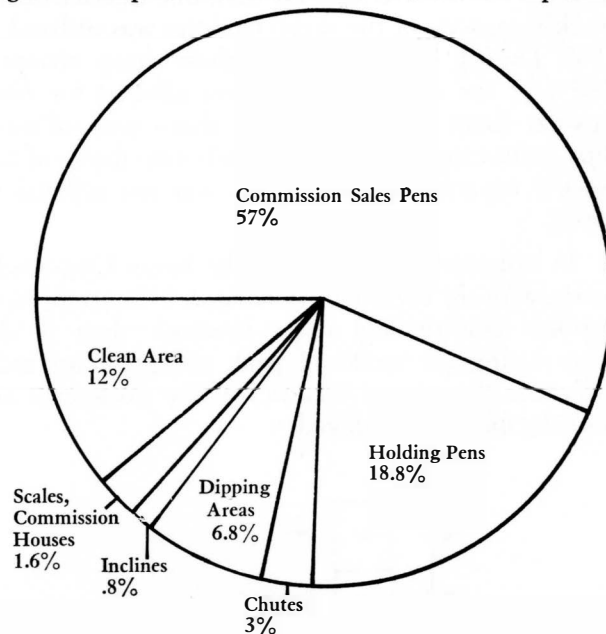


Table 13. Percent of Total Capacity of Sioux City Stockyards Utilized, 1966.

Types of Sales	Cattle and Calves		Hogs		Sheep	
	Head	Percent	Head	Percent	Head	Percent
<b>Commission Firm Sales</b>						
Average Week .....	24,406	35.0%	33,542	48.3%	4,654	22.1%
High Week* .....	39,214	56.3	48,643	70.0	7,229	34.4
Low Week* .....	18,000	25.8	22,709	32.7	2,582	12.2
<b>Packers' Direct</b>						
Average Week .....	493	7.3	98	.5	-----	-----
High Week† .....	1,533	9.1	249	1.2	-----	-----
Low Week† .....	249	1.4	0	0	-----	-----
<b>Dealers' Sales</b>						
Average Week .....	2,164	10.7	-----	-----	-----	-----
High Week‡ .....	3,957	18.5	-----	-----	-----	-----
Low Week‡ .....	1,037	4.8	-----	-----	-----	-----

\*Week of highest salable receipts, minus average weekly receipts of dealers during same month.

†Selected weeks in 1966, every third week selected.

‡Weekly receipts of dealers not available. Figures represent average weekly receipts during month of highest and lowest dealers' receipts.

§No dealer sales made in hogs or sheep.

||No direct packer receipts of sheep.

On the average, packers' direct receipts of hogs amounted to only 98 head. At that rate, only about one half of 1% of the capacity of the area allotted was utilized. During the weeks of highest receipts, the utilization increased to only 1.2% of the capacity. These data indicate that the area allocated for direct receipts of hogs for packers is drastically underutilized. Part of this underutilization problem is due to the substantial reduction in direct receipts which has occurred since the closing of a major packing company's slaughtering facilities in 1963. Prior to the closing of that plant, the stockyards received considerably more direct hog receipts and those hog pens set aside for such receipts were utilized considerably more than they were in 1966.

The sheep facilities at the Sioux City Stockyards are allotted only to commission sales firms, since there is no longer any local sheep slaughter at Sioux City and there are no dealers trading in sheep. The sheep facilities similar to the other facilities for the other species are overbuilt compared with their use in 1966. On the average, less than one quarter of the weekly capacity of the sheep facilities was utilized in 1966. During the week of highest sheep receipts, 34.4% of the capacity of the area allotted for commission firms sales receipts of sheep was utilized; thus, indicating that approximately two-thirds of the weekly capacity for sheep sales was not utilized in 1966.

In summary, it seems that the Sioux City Stockyards, with the facilities available in 1966, could have handled considerably more livestock than it did even during the weeks of peak receipts. This indicates that the present facilities of the stockyards are considerably underutilized.

## COSTS OF OPERATION

The total costs of operating the Sioux City Stockyards in 1966 were divided into two major cost categories, **fixed costs**, and **variable costs**. Fixed costs were defined as those costs which must be met regardless of the level of operation and which change only with a change in the size of the yards. Variable costs are those costs which vary directly with the level of operation of the yards.

The fixed costs were composed of depreciation, property taxes and insurance and interest on installments. Interest on investments was calculated at 5% of the value of the Stockyard's assets (See Table 15). The fixed costs equal 37 cents per marketing unit and composed 25.9% of total costs (See Figure 6 and Appendix Table 13).

The variable costs were classified into three sub-categories, "Labor Costs," "Operating Costs," and "Other Costs" (See Figure 6 and Appendix Table 13). Labor costs included salaries of executive and office personnel, wages, to workers employed in the operation of the yards and related services, labor for repair and maintenance, and fringe benefits. Wages paid to workers employed in the operation of the yards and related services accounted for about two-thirds of the total labor costs. Over 90% of this amount was for operating and cleaning the yards. Wages to employees working in the grain elevator, exchange building, garages, and other supporting services accounted for the remainder of the costs under this item.

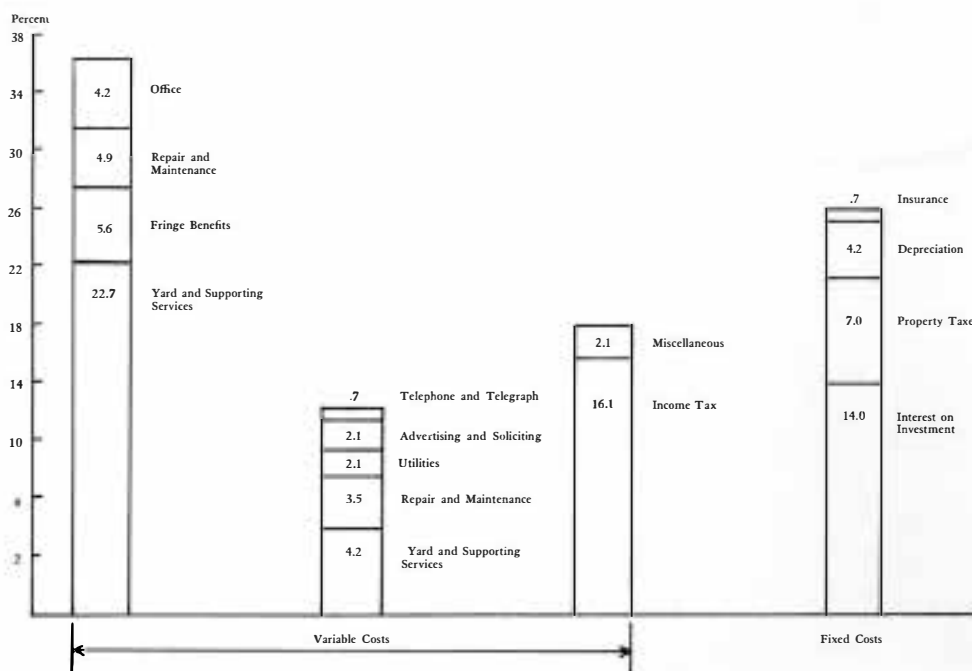


Figure 6. Percentage breakdown of total costs of operating the Sioux City Stockyards, 1966.

Labor costs for repair and maintenance and for salaries of executive and office personnel each constituted slightly more than 4% of total costs, while employee fringe benefits accounted for 5.6% of the total. Although the items included under fringe benefits are not paid directly to employees, they are an indirect labor cost and, so were included in labor costs. These fringe benefits include costs of group hospital and life insurance, pensions, employee FICA tax and federal unemployment compensation.

The two major items under operating expenses—yard and supporting services, and repair and maintenance—accounted for 4.2% and 3.5% of the total costs, respectively. Yard expenses, truck and tractor expenses, exchange building expense, and night-watchman service expense accounted for most of the costs of operating the yard and supporting service, while yard repair accounted for approximately one-half of the cost of repair and maintenance. Of the remaining operating costs, utilities and advertising and soliciting expenses, each accounting for 2% of total costs, while telephone and telegraph made up less than 1%.

The third sub-category—variable costs, other—included income taxes and miscellaneous expenses. They accounted for 16.1% and 2.1% of total costs, respectively.

In summary, total costs equalled \$1.43 per marketing unit of which 37 cents was due to fixed costs and \$1.06 due to variable costs. Labor, income and property taxes, and interest on investment account for 80% of the total costs. In general, there is little opportunity for reducing any of these costs. Labor costs have some built-in rigidities due to unionization of employees. Property taxes could be decreased only by a reduction in facilities. Costs of items, other than labor, income and property taxes, make up only 20% of the total costs and probably could not be reduced enough to have any significant effect on total costs. Therefore, to decrease unit costs significantly would necessitate an increase in livestock volumes. Presumably, labor costs would increase less than proportionally while property taxes would remain constant, as volume increased.

### TOTAL INCOME OF STOCKYARDS FOR 1966

The total income of the Sioux City Stockyards Company in 1966 amounted to almost \$3 million. Approximately 85% of this was received for services provided for livestock received at the yards.

The regular services rendered by the Stockyards Company for which they assess yardage charges, accounted for about 75% of the total income. About

10% resulted from charges for feed and bedding and 1% from optional services which include weighing, dipping, vaccinating and driving charges. Most of the remaining income came from office and garage rental, leases and services rendered to the packing companies, leases to other allied businesses, rental of truck and railroad right of way, manure sales and a truck wash rack. Other miscellaneous sources of income included refunds on gas tax, pen rental, auction sales and purchase discounts. By adding this income to that received for yard services, the average income per marketing unit is \$1.47 (See Table 14).

**Table 14. Average Income Per Marketing Unit, Sioux City Stockyards Company, 1966.**

Source of Income	Percent of Total Income	Average Income Per M.U.
Yardage .....	73.4%	\$1.08
Feed and Bedding .....	10.1	.15
Related Yard Services .....	0.7	.01
Other .....	15.8	.23
Total .....	100.0%	\$1.47

### TOTAL CAPITAL INVESTMENT OF THE STOCKYARDS COMPANY AND SUBSIDIARIES

The facilities of the Sioux City Stockyards are owned by the Sioux City Stockyards Company and its two subsidiaries, the Terminal Railroad Company and the Steam Service and Supply Company. The data in Table 15 indicate that the fences, walks, skids, docks, and land accounted for about three-fourths of the total value of the assets. The subsidiaries accounted for another 13%, while office buildings and other buildings and equipment made up the remainder.

**Table 15. Current Value of Assets of Sioux City Stockyards.\***

Item	Dollar Value	Percent of Total
Office Buildings .....	\$ 328,874	4.1%
Other Buildings .....	269,779	3.3
Fences, Walks, Skids and Docks .....	3,331,393	41.8
Land (150 acres) .....	2,622,455	32.9
Other Equipment		
Trucks (37) .....	74,495	.9
Cleaning Equipment .....	89,743	1.1
Feedmixing-baling .....	7,630	.1
Scales .....	28,089	.4
Other .....	159,454	2.0
Subsidiaries		
Terminal Railroad Company	560,818	7.0
Steam Service & Supply Co.	490,343	6.1
Total .....	\$7,963,073	100.0%

\*Based on "true value" estimates for 1966 taxes.

## APPENDIX

**Appendix Table 1. Ranking of 10 Largest Terminal Markets, 1961 and 1966.\***

Terminal Market	Rank in 1966	Salable Receipts (Head)	Rank in 1966	Salable Receipts (Head)
Omaha .....	1	4,874,551	1	4,212,299
Sioux City .....	3	4,015,979	2	3,371,637
S. St. Paul .....	2	4,598,774	3	3,201,930
Chicago .....	4	3,879,342	4	2,767,234
St. Louis (N.S.Y.) .....	5	3,686,773	5	2,496,747
St. Joseph .....	6	2,434,325	6	2,068,744
Kansas City .....	7	2,228,377	7	1,783,444
Sioux Falls .....	9	1,830,103	8	1,745,557
Indianapolis .....	8	2,077,866	9	1,521,746
Denver† .....	10	1,814,528		
Oklahoma City‡ .....			10	951,346

\*Source: U.S.D.A., A.M.S., S.R.S.-E.R.S., Supplement for 1961 to Livestock and Meat Statistics, Statistical Bulletin No. 230, June 1962, p. 40 and U.S.D.A. Livestock and Meat Statistics, Supplement of 1966 to Statistics Bulletin No. 333, p. 39, Consumer and Marketing Service, S.R.S., E.R.S., Washington, D. C.

†Not among top 10 in 1961.

‡Not among top 10 in 1966.

**Appendix Table 2. Ten Top Terminal Markets, by Class of Livestock, 1966.\***

Terminal Market	How They Ranked in 1966			
	Cattle	Calves and Vealers	Hogs	Sheep
Omaha .....	1	8	1	5
Sioux City .....	3	3	3	6
S. St. Paul .....	4	1	4	3
Chicago .....	2		5	
St. Louis (N.S.Y.) .....	8		2	
St. Joseph .....	6		6	9
Kansas City .....	5		8	10
Sioux Falls .....	9		9	2
Indianapolis .....			7	
Denver .....				4
West Fargo .....	10	9		7
Oklahoma City .....	7	5		
Milwaukee .....		2		
Springfield, Mo. ....		7		
Houston .....		6		
Ft. Worth .....		4		
Louisville .....		10		
Peoria, Ill. ....			10	
Wichita .....				8
San Angelo .....				1

\*Source: U.S.D.A. Livestock and Meat Statistics, Supplement for 1966 to Statistics Bulletin No. 333, p. 39 Consumer and Marketing Service, S.R.S., E.R.S., Washington, D. C.

**Appendix Table 3. Receipts of Slaughter Livestock, Sioux City Stockyards by Species, 1961-1966.**

Year	Cattle and Calves	Hogs	Sheep	Total
1961 .....	1,097,287	1,884,561	324,636	3,306,484
1962 .....	1,082,125	1,949,290	292,919	3,324,334
1963 .....	1,018,894	1,993,933	296,058	3,308,885
1964 .....	1,058,663	1,944,686	254,466	3,257,815
1965 .....	953,582	1,660,312	219,331	2,833,225
1966 .....	951,828	1,733,518	208,429	2,873,775
Change 1961-66 .....	-165,459	-151,043	-116,207	-432,709
Percent Change .....	-15.0%	-8.0%	-35.7%	-13.0%

**Appendix Table 4. Receipts of Feeder Livestock, Sioux City Stockyards, by Species, 1961-1966.**

Year	Cattle and Calves	Hogs	Sheep	Total
1961 .....	561,115	34,697	107,683	709,495
1962 .....	568,973	39,009	64,324	672,306
1963 .....	431,613	33,803	53,959	519,375
1964 .....	461,996	30,775	50,401	543,172
1965 .....	537,614	19,176	26,608	583,398
Change .....	-117,225	-20,345	-74,060	-211,813
Percent Change .....	-20.7%	-58.6%	-68.7%	-29.8%

**Appendix Table 5. Total Receipts at Yards by Month, Sioux City Stockyards, 1961-1966.**

Month	Cattle (Head)					
	1961	1962	1963	1964	1965	1966
January .....	143,187	156,802	121,120	121,350	116,913	120,725
February .....	106,714	111,649	99,708†	100,634†	92,909	96,537
March .....	114,069	92,297†	105,571	116,466	94,068	104,172
April .....	106,414†	126,394	126,284	109,096	84,509†	89,064
May .....	121,880	128,770	109,835	101,270	109,064	107,827
June .....	116,174	111,945	100,790	127,876	119,650	102,864
July .....	117,009	127,912	107,834	107,583	99,249	84,861†
August .....	142,308	135,269	105,736	112,345	119,218	110,275
September .....	144,042	129,847	118,119	123,683	131,043	107,619
October .....	183,686*	182,156*	139,775*	150,466*	134,071	121,098*
November .....	147,695	142,458	123,422	143,655	160,827*	118,588
December .....	135,513	136,385	121,002	119,453	128,729	116,563

\*High Month.

†Low Month.

Appendix Table 6. Total Receipts at Yards by Month, Sioux City Stockyards, 1961-1966.

Month	Calves (Head)					
	1961	1962	1963	1964	1965	1966
January .....	11,697	12,778	11,130	14,445	14,201	11,125
February .....	4,277	4,134	6,938	6,033	3,622	7,122
March .....	5,157	1,702†	4,895	6,428	5,249	3,559†
April .....	2,837	5,847	5,776	3,232	4,154	3,619
May .....	3,260	3,365	4,864†	2,330†	1,971†	3,768
June .....	4,371	4,571	6,639	3,001	3,714	4,561
July .....	2,657†	4,693	9,051	3,190	3,739	5,028
August .....	4,709	9,222	11,193	5,939	5,428	10,728
September .....	12,148	10,699	11,888	8,125	7,292	12,634
October .....	51,068*	56,976	34,160	44,065	31,718	33,570
November .....	48,650	64,719*	43,541*	56,819	65,141*	47,372*
December .....	14,602	22,218	14,504	12,673	17,978	20,213

\*High Month.

†Low Month.

Appendix Table 7. Total Receipts at Yards by Month, Sioux City Stockyards, 1961-1966.

Month	Hogs (Head)					
	1961	1962	1963	1964	1965	1966
January .....	201,078	251,633*	229,027*	198,358†	180,942*	150,082
February .....	154,157	174,620	187,000	149,959	139,600	124,850
March .....	175,800	172,401	193,403	163,462	148,995	140,800
April .....	159,033	224,142	215,380	174,808	132,660	156,213
May .....	203,407	215,027	216,114	150,571	131,935	156,915
June .....	194,913	186,923	174,229	156,028	142,416	139,042
July .....	155,642	156,059	148,721	141,808	105,531†	111,110†
August .....	160,739	156,011	125,995†	111,556†	121,709	122,670
September .....	149,122†	133,265†	139,268	157,887	131,828	139,597
October .....	203,493	219,891	179,752	184,255	135,844	171,663
November .....	242,881*	239,604	210,979	197,009	160,680	165,194
December .....	224,778	234,317	208,788	197,202	154,151	175,721*

\*High Month.

†Low Month.

Appendix Table 8. Total Receipts at Yards by Month, Sioux City Stockyards, 1961-1966.

Month	Sheep (Head)					
	1961	1962	1963	1964	1965	1966
January .....	60,745	66,673*	55,071*	35,866	31,437	26,834
February .....	41,901	35,604	43,432	28,318	31,768*	28,026
March .....	38,399	31,202	29,671	29,364	27,579	25,204
April .....	29,914*	28,394*	41,828	29,509	18,095†	27,529
May .....	43,041	45,396	47,673	25,763	20,983	21,598
June .....	37,377	34,296	23,556†	25,763	20,983	21,598
July .....	34,758	36,980	28,061	22,204†	19,254	17,042†
August .....	37,375	33,299	29,809	28,434	31,581	37,723*
September .....	76,156*	35,788	31,359	33,961	22,875	22,628
October .....	66,108	63,231	44,461	42,042	25,926	28,827
November .....	54,337	38,486	30,944	25,802	27,613	22,090
December .....	40,081	44,696	36,226	35,245	25,141	22,131

\*High Month.

†Low Month.

**Appendix Table 9. Average Volume of Cattle Handled Per Day, Sioux City Stockyards,  
1961-1966.\***

Day of Week	Figures in Columns Below Indicate Head of Livestock						1961-1966 Average	Average Percent of Total Receipts
	1961	1962	1963	1964	1965	1966		
Monday .....	14,406	13,198	11,906	12,176	11,286	10,009	12,164	42.9%
Tuesday .....	7,038	7,414	5,699	5,474	6,911	5,887	6,404	22.6
Wednesday .....	5,325	5,096	5,115	5,244	5,055	5,334	5,195	18.3
Thursday .....	2,756	3,468	2,972	3,412	3,660	2,727	3,166	11.1
Friday .....	1,544	2,015	1,272	1,521	1,091	1,076	1,420	5.1
Average/Day ..	6,142	6,199	5,393	5,532	5,455	4,943	5,611	100.0%

\*Based on selected weeks.

**Appendix Table 10. Average Volume of Hogs Handled Per Day, Sioux City Stockyards,  
1961-1966.\***

Day of Week	Figures in Columns Below Indicate Head of Livestock						1961-1966 Average	Average Percent of Total Receipts
	1961	1962	1963	1964	1965	1966		
Monday .....	9,950	11,262	10,613	8,658	7,642	8,386	9,419	23.5%
Tuesday .....	9,408	10,378	9,170	8,391	6,869	6,735	8,492	21.3
Wednesday .....	7,379	7,630	8,312	7,621	6,789	7,301	7,505	18.7
Thursday .....	9,289	9,281	9,643	8,368	7,451	7,029	8,510	21.3
Friday .....	6,943	7,510	6,005	5,864	5,191	5,218	6,122	15.2
Average/Day ..	8,557	9,205	8,748	7,794	6,766	6,915	7,998	100.0%

\*Based on selected weeks.

**Appendix Table 11. Average Volume of Calves Handled Per Day, Sioux City Stockyards,  
1961-1966.\***

Day of Week	Figures in Columns Below Indicate Head of Livestock						1961-1966 Average	Average Percent of Total Receipts
	1961	1962	1963	1964	1965	1966		
Monday .....	2,007	2,463	2,163	2,822	2,279	2,469	2,367	65.7%
Tuesday .....	319	409	281	340	446	259	342	9.5
Wednesday .....	223	387	314	264	282	152	272	7.5
Thursday .....	156	225	275	288	273	232	242	6.8
Friday .....	348	393	356	461	369	327	376	10.5
Average/Day ..	604	766	668	814	690	665	701	100.0%

\*Based on selected weeks.

**Appendix Table 12. Average Volume of Sheep Handled Per Day, Sioux City Stockyards,  
1961-1966.\***

Day of Week	Figures in Columns Below Indicate Head of Livestock						1961-1966 Average	Average Percent of Total Receipts
	1961	1962	1963	1964	1965	1966		
Monday .....	4,163	3,768	3,680	3,010	2,011	1,898	3,088	37.5%
Tuesday .....	2,625	2,048	1,884	1,662	1,502	1,317	1,840	22.5
Wednesday .....	1,704	2,066	1,566	1,427	1,439	1,188	1,565	19.0
Thursday .....	1,649	1,719	1,175	1,250	859	589	1,207	14.7
Friday .....	660	864	450	461	344	298	513	6.3
Average/Day ..	2,140	2,076	1,749	1,558	1,211	1,047	1,630	100.0%

\*Based on selected weeks.