Obstacles to Increased Production of Meat-Type Hogs a Report of Surveys of Swine Producers and Marketing Agencies

Edward Dailey

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OBSTACLES TO INCREASED PRODUCTION OF MEAT-TYPE HOGS

A REPORT OF SURVEYS OF SWINE PRODUCERS

AND MARKETING AGENCIES

By

Edward Dailey

A thesis submitted
in partial fulfillment of the requirements for the
degree Master of Science at South Dakota
State College of Agriculture
and Mechanic Arts

June, 1957

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Thesis Adviser

Head of the Major Department
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CHAPTER I

INTRODUCTION

The improvement of product quality is an end constantly sought by those who produce goods for sale in competition. This is especially true for farmers whose varied products compete with one another and with industrial goods in the case of fiber. Dairy farmers, woolgrowers, wheat farmers, livestock men, truck farmers and others have all sought to improve the quality of their products as a means of both increasing the market and maintaining their respective share of the existing market.

One of the most concentrated and extensive efforts in quality improvement has been by the swine industry. Practically all groups, private and public, concerned with swine have sought by one means or another to upgrade their product. Most of the effort to improve quality has been directed to producers of the primary product—slaughter hogs.

Reasons For Undertaking the Study

For many farmers hogs have been the foundation of a successful farming enterprise. Certain developments in recent years however, indicate that those connected with the swine industry may well pause and review the current situation.

Abundant production of lard has caused lard prices to drop steadily until the price is now about one-third below the pre-Korean level. These price declines are mainly the result of heavy accumulation of stocks and reduced export demand. Lard prices have also suffered in the face of fast increasing competition from vegetable fats and oils. Hogs carrying excessive fat have resulted in a product which consumers tend to resist.
This has reduced the competitive position of pork with beef and other meats.

Many of those in the meat trade and many concerned with the swine industry have come to the conclusion that if pork is to remain competitive with beef and other meat some action must be taken to improve its quality.

One course of action is to replace the lard-type or fat-type hog with the "meat-type". This has received support from the United States Department of Agriculture, agricultural colleges, most of the meat-pack ing industry and from swine producers, both purebred and commercial. A vast amount of educational and promotional effort has been used to encourage producers to shift to raising more meat-type and fewer lard-type hogs. Despite these combined efforts progress has been slow. Estimates by industry are that 12 to 15% of market hogs are meat-type.\(^1\)

Some headway has been noticeable in reducing the market weights during the post-World War II years.

The fact that there has been little response to the educational efforts to shift hog types has led to the belief that there may be obstacles which are not recognized by those promoting the change. Among the reasons advanced for retaining lard-type hogs is that production costs of meat-type hogs exceeds those of lard-type. Yet studies

\(^1\) E. L. Heckler, Manager, Public Relations Department, Armour & Co. Letter to author, March 20, 1956.
by workers at different stations report that this need not be a limiting factor. 2 Another reason is that there are limited or no premiums being paid for producing a higher quality product. Yet it is reported that premiums are being paid. Much needs to be learned about the practices connected with paying premiums such as the amount, the variation, the periods when they are and are not paid, variation due to market supplies, etc. Perhaps producers need to regulate farrowing dates more closely and employ either forced or delayed feeding in order to take advantage of premiums.

Objectives of the Study

The importance of the swine industry to South Dakota and other midwest states and the concern expressed with trends in the industry led to undertaking this study. The main question asked was: In the face of extensive educational efforts encouraging increased production of meat-type hogs why have producers been slow to adopt the necessary change?

The specific objectives of the study are:

(1) To discover or uncover additional reasons for producers' slow acceptance besides those now thought to be deterrents such as higher production costs, lack of a realistic price differential, human reluctance to change old methods and to determine nearly as possible what are the major obstacles to increased production of meat-type hogs.

---

2 L. N. Hazel, Relationships Between Leanness, Fatness Growth Rate and Economy of Gain in Pigs, Iowa State College, Unnumbered Mimeographed Publication 10/8/52.

(2) To determine as nearly as possible the methods of production and marketing which would maximize returns to meat-type hog producers.

(3) To determine if there are new approaches that can be used or to determine which items should be emphasized most by agricultural colleges, the Extension Service, and others to bring about a higher level of efficiency in meeting consumer demands for pork and pork products.

**Hypothesis and Assumptions**

A preliminary appraisal of the situation brought out factors which were felt to be influencing the over-all area of swine production and marketing. These might include the following:

1. The demand for pork is decreasing while demand for beef is increasing. This is due to both differences in quality and the inherent characteristics of the two products.

2. Meat-type hogs are not being increased as rapidly as can be expected.

3. In general farmers lack sufficient price incentive to adopt new methods.

4. Coverage of the meat-type story has not been adequate.

5. Despite evidence to the contrary the belief is held by most swine producers that fat-type hogs can be produced more efficiently than can meat-type.

6. Raising more meat-type hogs will ultimately increase demand and hence strengthen competitive position of pork and that this argument while likely valid is not strong enough to
motivate producers to change.

(7) Additional educational work needs to be done correcting misconceptions and misinformation in the whole general area of meat-type hogs.

These hypotheses are examined in the following chapters.

Organization and Procedure of the Study

Many different groups have a stake in the problems and future of the swine business. These include commercial producers, purebred producers, marketing agencies including commission firms and order buyers. Also vitally concerned are packers, retailers and consumers. In order to secure the opinions and experiences of a broad and varied segment questionnaires were drafted and mailed to purebred hog producers, commercial hog producers, order buyers, commission firm salesmen and meat packers.

Each group received a different questionnaire. The schedules were designed to bring out information about the particular part of the industry with which the respondent would be the most familiar. Copies of the respective schedules are found in the appendix.

The schedule sent to commercial producers is the largest both in number of questions asked and size of sample. The mailing list was compiled by taking every fortieth name of South Dakota farmers who reported hogs for tax assessment in 1955. Size of the sample was limited by practical considerations including funds, time and clerical help.

Purebred swine producers who received schedules were those listed in the "South Dakota Swine Breeders Directory". Although this sample was not randomized a more involved and tedious selection of respondents
was considered impractical and no inference is made that the answers pertain to any other larger population than that questioned.

Order buyers and commission firm salesmen questioned were those located at the two most important terminal markets used by South Dakota producers. These were the markets located at Sioux Falls, South Dakota and Sioux City, Iowa.

Meat packers receiving schedules included both interior packers and those located at terminal market centers. They were not confined to the state as adjacent packers buy and process much South Dakota livestock.
CHAPTER II

THE SITUATION AND PROBLEM

Part I
Swine in the United States and South Dakota

Swine have always occupied a major position in the nation's agricultural economy. Over 2 million farmers produce hogs with the number per farm varying from a few head to specialized enterprises of several hundred. Hogs provide a market for 40 per cent of the corn produced in the United States. Hogs are an important source of the agricultural income of the nation. Annual pork production has ranged from a low of 5.9 billion pounds in 1935 to 13.6 billion pounds in 1943. In recent years annual production has fluctuated around 10 billion pounds (Table 1).

The North Central States has the largest concentration of hog numbers. This region has a comparative advantage in the production of hogs as corn provides a natural and readily available source of feed. States leading in hog production are Iowa and Illinois followed by Indiana, Minnesota and Missouri.

There have been significant shifts in the areas of production of hogs. Production in the North Atlantic region has declined about 50 per cent since 1920. Hog production in the South Central, South Atlantic and Western regions also declined in numbers during this period. During the past two years there is some evidence that farmers in the South are increasing hog and cattle production with the advent of acreage controls on cotton and tobacco.
Table 1

Number of Pigs Saved, and Pork Produced Annually - U.S. 1924-1955

<table>
<thead>
<tr>
<th>Year</th>
<th>Pigs Saved (Thous.)</th>
<th>Pork Produced (Mil. Lbs.)</th>
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<tr>
<td>1924</td>
<td>74,065</td>
<td>9,149</td>
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<tr>
<td>1925</td>
<td>70,310</td>
<td>8,128</td>
</tr>
<tr>
<td>1926</td>
<td>75,444</td>
<td>7,966</td>
</tr>
<tr>
<td>1927</td>
<td>81,246</td>
<td>8,430</td>
</tr>
<tr>
<td>1928</td>
<td>78,682</td>
<td>9,041</td>
</tr>
<tr>
<td>1929</td>
<td>76,125</td>
<td>8,833</td>
</tr>
<tr>
<td>1930</td>
<td>74,135</td>
<td>8,482</td>
</tr>
<tr>
<td>1931</td>
<td>83,176</td>
<td>8,739</td>
</tr>
<tr>
<td>1932</td>
<td>82,525</td>
<td>8,923</td>
</tr>
<tr>
<td>1933</td>
<td>84,200</td>
<td>9,234</td>
</tr>
<tr>
<td>1934</td>
<td>56,766</td>
<td>8,399</td>
</tr>
<tr>
<td>1935</td>
<td>56,144</td>
<td>5,919</td>
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<td>1936</td>
<td>65,725</td>
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<td>62,519</td>
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<td>1940</td>
<td>79,866</td>
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<td>1941</td>
<td>84,952</td>
<td>9,528</td>
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<tr>
<td>1942</td>
<td>104,903</td>
<td>10,876</td>
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<tr>
<td>1943</td>
<td>121,807</td>
<td>13,640</td>
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<td>1944</td>
<td>86,659</td>
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<td>1945</td>
<td>86,827</td>
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<td>1946</td>
<td>82,694</td>
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<td>1947</td>
<td>83,289</td>
<td>10,502</td>
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<td>1948</td>
<td>83,826</td>
<td>10,055</td>
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<td>1949</td>
<td>93,244</td>
<td>10,286</td>
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<td>1950</td>
<td>97,339</td>
<td>10,714</td>
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<td>1951</td>
<td>102,189</td>
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<td>91,231</td>
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<td>81,512</td>
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<td>1954</td>
<td>92,494</td>
<td>9,952</td>
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<td>1955</td>
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Swine in South Dakota

The agricultural economy of the State is predominately a livestock economy with hogs contributing a large part. In 1955 the State ranked ninth in the nation in size of pig crops.

From an estimated 1,000 hogs and pigs on South Dakota farms on January 1, 1870, the number increased to 110,000 head by 1883. By 1899 the number was about one-half million head and an all time high was reached of slightly over 3 million head in 1923. During the late 30's there were fewer than a million head on farms at the beginning of each year. January 1 hog numbers have averaged 1,580,000 head for the 1945-54 period and the number on January 1, 1956 was 1,494,000.

(Figure 1)

Hogs are found in all counties of the State but principally in the area east of the Missouri River with numbers concentrated in the southeastern region. Leading counties are Minnehaha, Lincoln and Turner. The areas of heavy hog production coincide closely with the areas of corn production.

Season of Farrowing

Traditionally sows are farrowed in the spring and in the fall with two separate pig crops per year. In South Dakota a noticeable trend is for the number of spring farrowings to make up a smaller part of the annual crop each year, and for the percentage born in the fall to increase. In 1947 the spring pig crop was 88 per cent of the total crop with fall pigs comprising the remainder or 12 per cent. In 1955 the spring and fall pig crops were 81 per cent and 19 per cent respectively. For the United States in 1955, 60 per cent of the total crop were
ALL HOGS AND PIGS ON FARMS

JANUARY 1.

SOUTH DAKOTA 1870-1956

Figure 1
farrowed in the spring and 40 per cent were fall farrowings.

The trend toward earlier spring farrowing has been more noticeable for the United States than for South Dakota. Many farmers are using advances in technology such as electricity for pig brooders and better feeding in an attempt to take advantage of regular seasonal changes in prices for hogs. This is especially apparent in the eastern corn belt and is being practiced increasingly in the western corn belt states as well. (Figure 2)

Market Outlets

Marketing of slaughter hogs in South Dakota takes place through various channels. According to a survey in 1949 farmers reported 43 per cent of the fat or slaughter hogs were sold direct to packers. About one-fourth (24 per cent) were sold at terminal public markets. Sixteen per cent were sold to local dealers, while 17 per cent included those marketed through livestock auctions, sold to others locally or shipped by a cooperative shipping association. For the East River counties nearly one-half of the slaughter hogs were sold direct to packers. In the West River area auction markets were the most important outlet handling 44 per cent. Some of the larger packing plants in the State are at Sioux Falls, Mitchell, Huron, Watertown, and Madison all east of the Missouri River and at Rapid City located west of the Missouri River. 3

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Monthly Farrowings—Spring Pig Crops

U. S. 1955—South Dakota 1947 and 1955

% of total Spring Crop

Source: S. Dak. Agriculture 1955, S. Dak. Crop and Livestock Reporting Service
Cash Income From Hogs

The cash farm income from livestock products for South Dakota has varied over time but in recent years has amounted to about 65 per cent of total cash farm income. Hogs contribute about 20 per cent to the state's cash farm income. In 1924 income from hogs was estimated at 51 million dollars; this may be compared with only 7.5 million in 1935. The record for the State was almost 139 million dollars received by farmers from the sale of hogs in 1947. In 1954 slightly over 99 million dollars were received by farmers from the sale of hogs. For the United States as a whole hogs make up a slightly lower percentage of total cash farm income than is the case in South Dakota.
PART II

Changes In Demand For Pork

This section indicates the shifts that have taken place in the demand for pork and for various pork cuts and some of the consequences of these changes.

The change in consumer preference is not recent or a sudden development but has been gradual over a long period of time. Expenditures by consumers for both beef and pork have fluctuated considerably over the past 40 years. The percentage of income spent for beef, however, has maintained a relatively stable trend, while the proportion spent for pork has been decreasing. During the 1920's consumers spent about 3 per cent of their disposable income on pork and about 2.25 per cent on beef. Since 1947 however, expenditures for pork have dropped sharply while expenditures for beef have remained relatively stable. In 1955 consumers spent about 2.75 per cent of their disposable income on beef and only 1.9 per cent on pork. (Figure 3)

This change in consumer purchases of pork can also be shown by the declining trend of pork prices at retail as compared to beef. Figure 4 shows the pork-beef price ratio has been irregular, but over the last forty years this ratio has had a downward trend over the entire period.

Another indicator of consumer preference is illustrated in the shift that has taken place between the various wholesale cuts of pork. In the early years of the current century loins, bellies, lard, plates and jowls were all selling for nearly the same price. In more recent
Figure 3

Figure 4
years loins, one of the four major lean cuts, have been in greater demand and loin prices have trended upward. Prices for hams and Boston butts have followed loins although usually at a little lower price. Prices for the other cuts and for lard show considerable variation and compared to loins have not made nearly as much gain. (Figure 5)

Figure 5

Bellies, which are primarily made into bacon, are the most important cut grouped with the fat cuts. Bacon is still in strong demand, consequently the price of bellies is in an intermediate position, having increased in price less than lean cuts but more than fat backs, plates and jowls.

The changes of prices of fat and lean cuts are shown clearly in
Figure 6. The fat portions of the carcass were worth more than the lean cuts during the early years of the century. Since then there has been a rather consistent widening of the gap between prices of lean cuts and fat cuts. In 1955 lean cuts were worth 84 per cent more than live hogs. Fat, on the other hand, was worth about 37 per cent less than live hogs pound for pound.

Figure 6

Lard

Before 1920 exports were a factor in the strong position of lard. During the first 20 years of the century about one-third of the lard produced was exported. After 1920, however, exports began to decrease and production continued to expand. In 1955 only 21% of the domestic
production of lard was exported. In addition to the decline in foreign demand the lard price situation has been substantially weaker on the domestic side since the 1920's. Figure 7 shows the lard production and export picture since 1900. The pounds of lard exported are about the same now as in 1900 but the price change necessary to maintain the same export tonnage and per capita consumption is significant.

![LARD: U.S. PRODUCTION AND EXPORTS](image)

Figure 7

Lard is only one of a variety of fats and oils which compete with each other to varying degrees. Figure 8 illustrates the expansion in production of soybeans and their exports. Soybean production has increased about 25 times that of 1930. A bushel of soybeans will yield about 10 pounds of oil. Soybean oil is a principal ingredient of
substitutes for lard and of margarine.

With the change in price relationships for lard and lean cuts which have taken place during the first half of the century it is rather interesting to note what has taken place in production responses to these price trends. About one pound of lard is now being produced to four pounds of pork the same as at the beginning of the century. Hog types have changed back and forth from the chuffy to extreme lean to the meatier kind. The average market weights have changed too. The tendency has been for weights of hogs to increase. One would expect this to result in an increase in the ratio of lard to lean in hogs; during
1921-25 slaughter hogs averaged 225 pounds and the average lard yield was 16 lbs per cwt. During 1947-51 hogs slaughtered in the United States averaged 249 pounds but the average lard yield was only 14.3 pounds per cwt. liveweight. In recent years the average market weights have been around 242 pounds.

Lower yields of lard per hundred pounds liveweight of hog despite heavier weights suggests that more fat is being left on wholesale cuts of pork. This may have a depressing effect on pork prices. The new closer trim on pork cuts adopted by packers in the fall of 1955 also would increase the yields of lard if it were carried on throughout the entire industry.4

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4 The author recently commented to a local chain store meat department manager about his well trimmed pork chops and asked if they found it necessary now to trim their loins. He expressed severe disappointment with the new trim and stated they continue to trim heavily the loins they buy.
CHAPTER III

OPINIONS AND EXPERIENCES OF PUREBRED SWINE PRODUCERS

Questionnaires were mailed to the 97 purebred producers listed in the "South Dakota Purebred Directory". Useable questionnaires were returned from 71 respondents which was a 73 per cent return. Full recognition is given to the fact that those who received questionnaires were not selected by the laws of probability and no attempt is made here to infer that the findings are typical of all those who raise purebred swine for sale in South Dakota. The data presented describes only the group questioned. Perhaps this limits the usefulness of the information, but the attitudes and thinking of some who are prominent and influential in this field are necessarily revealed. Nine separate breeds were covered in the returns and average sales of each respondent were 25 females and 30 males per year.

Feeding Efficiency

One of the hypotheses to be examined was that many producers believe that meat-type hogs are less efficient than fat-type. Twenty-one per cent of the purebred producers did feel that fat-type hogs were more efficient while 32 per cent said there was little difference and 38 per cent said meat-type could be produced with greater efficiency. The remainder had no opinion or did not answer. (Table 2) Since 94 per cent of the purebred producers stated they emphasized meat-type hogs in their breeding program and none of the group emphasized fat-type hogs apparently many feel they are raising meat-type breeding stock at a sacrifice and in contradiction to their beliefs concerning the relative
efficiency of the two types. (Table 2)

Table 2

Relative Efficiency of Meat-Type and Fat-Type Hogs As Reported By

<table>
<thead>
<tr>
<th>Purebred Swine Producers</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td>Fat-type more efficient</td>
</tr>
<tr>
<td>Meat-type &quot;&quot;</td>
</tr>
<tr>
<td>Little difference in cost</td>
</tr>
<tr>
<td>of production</td>
</tr>
<tr>
<td>No Opinion or don't know</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

Selection of Breeding Stock

Purebred producers were asked to list the main points considered in selecting breeding stock. In so doing practically all based their selection on one or more characteristics associated with meat-type hogs. Most frequently mentioned was length, followed by trimness, litter size, gaining ability and muscling. Other items listed included uniformity, balance, blood lines, feet and legs, number of teats, conformation, vigor, broodiness etc.

It appears that the purebred breeders replying are consciously attempting to produce meat-type stock and that they are justified in answering the question on meat-type emphasis in their breeding program in the manner they did. In addition 83 per cent said they advertised their hogs for sale as meat-type.

Although no specific question was listed concerning the use of live backfat probing in selection it is disappointing this was not given once as a point considered in selecting breeding stock.
**Increase In Meat-Type Hogs**

All respondents agreed that the production of meat-type hogs should be increased and 91 per cent felt that the number is being increased each year. However in response to the question "Do you feel the number of hogs qualifying as meat-type is being increased as rapidly as can be expected?" there was a definite difference of opinion. Forty-one per cent answered this question "yes" while the same number said "no", the remainder said they "didn't know". Although this was not an open end question, unsolicited comments to this question were written in on 43 per cent of the questionnaires. Two-thirds of those who said "no" to the question made comments and about one-third who said "yes" made comments or qualified their answers. The most typical comment by those answering this question "no" was that an insufficient premium or price differential was paid. Other comments were "too many farmers looking only for bargains in boars", "False claims made by breeders", "too little emphasis on other qualities besides length—not enough on muscling".

Those who answered "yes" to this question and who also made comments brought out such points as "true in this locality", "under present conditions", and "takes time to change foundation stock".

**Price Differentials for Pork**

Ninety per cent of those asked "Would housewives be willing to pay more for cuts from meat-type hogs?" answered "yes". Six per cent said "no" and the rest did not answer. Qualifying statements or comments were given by 36 respondents. A great variety of statements were made but most seemed to feel that if a choice were offered a moderate
premium would be paid for cuts carrying a high proportion of lean meat to fat.

In carrying this particular point further the next question asked was "Would it be to the interest of all segments of the swine industry if the cuts from meat-type hogs were labeled as such when displayed to consumers?" In this case there was not such a definite agreement as in the previous questions with 56 per cent answering "yes" 28 per cent "no" and 16 per cent not answering. Many of the comments in this case were to the effect that consumers are able to determine differences without labeling being necessary. Also it seemed that many were suspicious that such a practice would not be strictly adhered to and that mislabeling would result in conditions no better than not labeling at all. One suggestion made was to label pork cuts on the basis of a meat-lard percentage analysis standard.

Obstacles to Increased Production of Meat-Type Hogs

When asked for opinions for the main obstacles to increased production of meat-type hogs a wide variety of answers was given (Table 3)

Practically all commented or gave opinions on this question, many at length, and many gave more than one reason. It is interesting to note again that even in this group of purebred swine producers a sizeable number are convinced that meat-type hogs are the less efficient to produce.
Table 3

Summary of Factors Listed As Obstacles to Increasing

<table>
<thead>
<tr>
<th>Reason Given</th>
<th>Number of Times Mentioned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lack of sufficient premium or price differential</td>
<td>23</td>
</tr>
<tr>
<td>It costs more to raise them</td>
<td>11</td>
</tr>
<tr>
<td>Inability to identify meat-type</td>
<td>8</td>
</tr>
<tr>
<td>The belief that meat-type are slow gainers or cost more to raise</td>
<td>5</td>
</tr>
<tr>
<td>Lack of proper breeding stock</td>
<td>5</td>
</tr>
<tr>
<td>Guesswork in selecting breeding stock</td>
<td>4</td>
</tr>
<tr>
<td>Ignorance of true facts</td>
<td>4</td>
</tr>
<tr>
<td>Indiscriminate selling of breeding stock</td>
<td>4</td>
</tr>
<tr>
<td>Indifference</td>
<td>3</td>
</tr>
<tr>
<td>Lack of grading at market</td>
<td>2</td>
</tr>
</tbody>
</table>

Summary

Seventy-one purebred swine producers returned mailed questionnaires out of 97. Only 27 felt that meat-type hogs were the most efficient and 44 felt that either fat-type were the most efficient or there was little difference in cost of production. At the same time, nearly all said they emphasized meat-type in their breeding programs and 83 per cent said they advertised their hogs for sale as meat-type. Nearly all reported basing selection on meat-type characteristics with length most frequently mentioned.

They all agreed that meat-type hogs should be increased and nearly all thought that they were being increased each year. But only 29 felt that hogs qualifying as meat-type were being increased as rapidly as could be expected.

Sixty-four felt housewives would be willing to pay more for cuts from meat-type hogs but only 40 felt that the best interests of the swine industry would be served if pork cuts from meat-type hogs were
labeled as such when displayed to consumers.

The reason most frequently given as an obstacle to increasing production of meat-type hogs was a lack of sufficient price differential between fat-type and meat-type hogs. Other reasons included meat-type more costly to raise, inability to identify meat-type and the belief held by many that meat-type are most costly to raise.
CHAPTER IV

OPINIONS AND EXPERIENCES OF MEAT PACKERS

Since the operations and policies of meat-packers naturally have a large bearing on any program of the nature of the meat-type hog effort no study could be considered complete without obtaining their opinions and experiences.

The questionnaire sent to meat-packers was designed to assemble several types of information. First of all to establish what per cent of their hog kill is meat-type and if it is increasing. Second, since premiums, discounts or price differentials have always seemed to be a focal point in this program, to ascertain what pricing policies are being carried out. Finally to obtain an expression from this group on similar questions asked of other groups.

Questionnaires were sent to eleven meat-packing concerns operating in South Dakota and adjoining states which it was presumed would slaughter a large percentage of the hogs produced in the state. Ten of the eleven replied and one of these had discontinued slaughtering hogs, leaving nine valid schedules.

**Percentage Of Meat-Type Hogs In Total Slaughter**

In order to establish a present position and provide a benchmark to evaluate future progress in producing meat-type hogs it is necessary to determine what per cent of the hogs now being processed are meat-type. Packers were asked what per cent of meat-type hogs now comprise total slaughter, what per cent of butcher weight barrows and gilts are meat-type and what was the estimated percentage of meat-type butchers
slaughtered by them in 1950? Answers to these questions were interesting in that a wide range of estimates was given. (Table 4)

Table 4

<table>
<thead>
<tr>
<th>Packer</th>
<th>Percent of total slaughter</th>
<th>Percent of butcher weight slaughter (180-300 lbs)</th>
<th>Percent of meat-type butcher hogs in 1950</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>60</td>
<td>60</td>
<td>20</td>
</tr>
<tr>
<td>&quot;</td>
<td>B</td>
<td>50</td>
<td>60</td>
</tr>
<tr>
<td>&quot;</td>
<td>C</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>&quot;</td>
<td>D</td>
<td>25 to 30</td>
<td>25 to 30</td>
</tr>
<tr>
<td>&quot;</td>
<td>E</td>
<td>15 to 25</td>
<td>25 to 35</td>
</tr>
<tr>
<td>&quot;</td>
<td>F</td>
<td>15 to 18</td>
<td>18</td>
</tr>
<tr>
<td>&quot;</td>
<td>G</td>
<td>12 to 15</td>
<td>20</td>
</tr>
<tr>
<td>&quot;</td>
<td>H</td>
<td>7</td>
<td>10</td>
</tr>
<tr>
<td>&quot;</td>
<td>I</td>
<td>7¾</td>
<td>7¾</td>
</tr>
</tbody>
</table>

These concerns vary greatly in size of operations. Generally the smaller companies reported the highest percentage of meat-type hogs in their kill.

All reported increases since 1950 ranging from 2 to 40 per cent and the smaller concerns estimated the largest increase. No estimates were made for the percentage of meat-type hogs in 1950 by three of those questioned.

Based on an unweighted average for the nine packing plants reporting, 28 per cent of their total hog slaughter is estimated to be meat-type and 31 per cent of their butcher weight barrows and gilts are estimated to be meat-type. In 1950, according to estimates made by these companies, meat-type hogs comprised only 18 per cent of their hog slaughter. Perhaps the above figures are meaningless since the averages are not and cannot be weighted by volume. An average weighted by volume of operations would undoubtedly reduce these average percentage figures somewhat. It would appear the number of meat-type hogs has
increased in the last five years yet remains relatively low.

**Quality Pricing**

Although several studies have shown that production costs of meat-type and fat-type hogs are not significantly different a feeling among producers seems to prevail that these costs are higher for meat-type hogs. The attitude is also taken that a premium is needed as an incentive to produce meat-type hogs and that if they are more valuable to packers they in turn should be willing to return an added amount to the producer for superior quality animals.

"Do you pay a premium for hogs because they are meat-type when delivered at your plant?" was asked of packers. All nine answered the above question "yes" with two qualifying their answers. In addition four checked "always" one checked "part of the time" and one checked "ordinarily". When asked what premium was customarily paid four answered by checking the 35-49 cent per cwt. group, two checked the 25-34 cent group, one checked the 50-74 cent group and two gave no distinct answer.

Four of the nine said the premiums varied and the other five reported they did not. Of those who said premiums vary a variety of reasons were checked with no one item in particular emphasized.

Reasons given explaining why premiums would vary included market supplies, customer demand, season, competitive pressure, cutting value and market practices. It was also reported that premiums would vary

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within one day, from day to day, week to week and season to season with no one of these receiving particular emphasis.

Most of the packers indicated they arrived at price for their open market buying operations in much the same manner they did for plant delivered hogs. It was brought out that on some markets hogs are sorted and on some they are not and they must buy them as they are offered for sale but that in general an attempt is made to buy quality if available and cutting value is worked into price.

**Obstacles To Increased Production Of Meat-Type Hogs**

The answers given to this query about the main obstacles to increasing meat-type show there are several factors which are considered important with no one item singled out by this group as most important. Again multiple answers bring the total to more than the number of replies. (Table 5)

<table>
<thead>
<tr>
<th>Item checked</th>
<th>Number of times</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resistance to change</td>
<td>3</td>
</tr>
<tr>
<td>Producer fear of higher production costs</td>
<td>4</td>
</tr>
<tr>
<td>Lack of breeding stock</td>
<td>6</td>
</tr>
<tr>
<td>Producers not reached by meat-type story</td>
<td>4</td>
</tr>
<tr>
<td>Lack of realistic price differential</td>
<td>1</td>
</tr>
<tr>
<td>Other (Lack of uniformity of marketing practices)</td>
<td>1</td>
</tr>
</tbody>
</table>

**Table 5**

**Merchandising Pork**

It was commonly agreed that consumers are willing to pay more for cuts from meat-type animals. Comments made by this group pointed out several consumer research studies that have been made by both colleges and private institutions which have shown the price differentials it is possible to obtain for quality pork. One comment brought out the fact
that cuts cannot be graded because of the small supply.

When asked if the interests of the swine industry would be served if pork cuts from meat-type hogs were labeled as such, six said "yes" and three "no". Again it was brought out that it would be impractical due to small supplies. One packer said it would be necessary to have 50 per cent of the hogs meat-type first and another reported it was a merchandising problem they are now studying.

**Increasing Numbers of Meat-Type**

Four packers answered "yes", two "no" and three "don't know" to the question "Do you feel the number of hogs qualifying as meat-type is being increased as rapidly as can be expected?" To the open end question, "In your opinion what would be the best means for effecting a solution to the meat-type hog problem", a variety of replies were given. The majority felt it remains largely a matter of education and publicity with five commenting briefly or at length to that effect. Three commented that more discriminatory buying was needed on a quality or cutting value basis. One said there was no problem that would not be taken care of by market conditions and one made no comment. One viewpoint brought out was to the effect that "There is probably more willingness on the part of producers to raise better hogs, and on the part of packers to pay what they are worth than there is knowledge of how to go about it".

**Summary**

Meat-packers that are presumed would slaughter a large percentage of hogs produced in the State estimated that 31 per cent of their butcher weight hogs are meat-type. In 1950 they estimated their slaughter
was 18 per cent meat-type. These were unweighted averages. Size of
the companies reached each extreme and the smaller companies made the
highest estimates of meat-type hogs in their kill.

All packers reported paying premiums for plant delivered hogs
that were meat-type. In general they reported they arrived at price
for their open market buying operations in much the same manner as they
did for plant delivered hogs. The premium most commonly paid was be-
tween 35-49 cents per cwt. Five of the 9 said that premiums did not
vary. The remainder said they did. The main reasons given for varying
premiums included market supplies, competitive pressure, and cutting
value. It was reported that premiums would vary within one day, from
day to day, week to week and season to season.

These packers felt that lack of breeding stock, the fear of
higher production costs by producers and lack of information by producers
were the main obstacles to increasing meat-type hogs.
CHAPTER V

OPINIONS AND EXPERIENCES OF LIVESTOCK COMMISSION FIRMS

Questionnaires were mailed to all commission firms listed as operating on the two terminal markets nearest the major swine producing area in the state. Replies were received from fifteen firms that handled hogs on these markets. The questionnaire was designed to obtain the opinions and experiences of this group on the meat-type problem. The questions also allow a comparison of observations to be made with the other groups. In this manner it would be possible to determine which problems are recognized as common to all groups so that future action on problems could be made with joint effort.

Percentage of Meat-Type Hogs

In order to obtain a variety of observations and to make comparisons some of the questions asked the various groups were identical. One of these concerned an estimate of the percentage of meat-type hogs in current market channels and the percentage five years ago. Estimates of the number of meat-type hogs presently being handled by the commission firm group ranges from 10 to 40 per cent and averaged 22.8 per cent. The estimates of meat-type hogs handled five years ago ranged from 3 to 20 per cent and averaged 9.3 per cent. This compares with the estimate made by packing firms of 31 per cent being slaughtered currently and 18 per cent five years ago.

Opinions were fairly evenly divided by this group when asked if the percentage of meat-type hogs varied by season of the year. Seven felt that the percentage of meat-type varied with the season of the
year, six felt it varied with the hog-corn ratio and four gave other reasons. Some checked more than one answer making the total greater than the number of questionnaires returned.

All were in agreement that the swine industry would be benefited if more meat-type hogs were produced. Eight felt the effect would be considerable and seven felt it would be moderate. In addition, it was felt that more meat-type hogs would increase the competitive position of pork, strengthen the price level of hogs and facilitate merchandising of pork. (Table 6)

Table 6

Benefits Resulting From Increasing the Number of Meat-Type Hogs

<table>
<thead>
<tr>
<th>Item checked</th>
<th>Number of times</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase competitive position of pork with other meats</td>
<td>12</td>
</tr>
<tr>
<td>Strengthen general price level of hogs</td>
<td>10</td>
</tr>
<tr>
<td>Facilitate merchandising of pork</td>
<td>11</td>
</tr>
<tr>
<td>Have no effect</td>
<td>0</td>
</tr>
<tr>
<td>Other</td>
<td>0</td>
</tr>
<tr>
<td>No Opinion</td>
<td>0</td>
</tr>
</tbody>
</table>

All checked at least one of the choices listed and most checked more than one.

Marketing Practices

One of the ways to increase the volume of meat-type hogs that has been suggested by some is an improvement of marketing practices primarily at terminal markets. This could be done by expanding sorting of hogs and selling more fully on a live grade basis rather than the customary pen-to-pen method. This procedure would likely focus attention on at least three points:

(1) First it would tend to establish more of a recognizable
price differential for various grades.

(2) It would indicate to producers the type of hog most desirable and in greatest demand.

(3) It would serve to inform producers and point out to them the type of hogs they are now producing.

In order that sorting be as reliable as possible those responsible need be completely familiar with live hog grade standards and the requirements for these grades. Buyers and sellers must be able to identify quality if much is to be accomplished by live hog grading. It is not possible to determine the proficiencies of market personnel in grading live hogs by mail questionnaire but ten of the fifteen firms felt they were familiar with the grades and requirements for the grades and five stated they were reasonably so. It has also been pointed out in research studies that with very little training individuals are able to live grade hogs with good accuracy and that this need not be a deterrent to a live grading program at market point. 6

At present sorting practices vary at different markets and within markets. Ray and Cox found that during 1955 about two-thirds of the markets reporting on a mail questionnaire in Indiana sorted by weight when buying hogs. This did not include the central market in Indiana which receives about one-third of the hogs in that state. 7

6 Henning, G.F., and Evans, M.B., Market Hogs Can Be Accurately Graded, Research Bulletin 728, Ohio Agricultural Experiment Station, Wooster, Ohio, June 1953.

7 Ray, O.M., and Cox, C.B., What Are Indiana Markets Paying For Lean Type Hogs, Economic and Marketing Information for Indiana Farmers, April 26, 1956, Purdue University, Agricultural Extension Service, Lafayette, Indiana.
At most central markets very little sorting is done by either weight or grade. Sorting practices varied also with the firm reporting in this study. (Table 7)

| Table 7 |
|-----------------|-----------------|
| Sorting Off of Meat Hogs By Commission Firms | |
| **Item checked** | **Number of times** |
| Yes | 3 |
| No | 4 |
| Usually | 2 |
| Occasionally | 4 |
| Never have | 0 |
| On request | 2 |

**Quality Pricing**

Whenever meat-type hogs are the subject of discussion of any group a great deal of attention is centered on pricing policies and pricing according to quality. In order to uncover more information which might be useful for Extension workers and others in answering questions on this subject a series of questions were asked this group concerning premiums and discounts. Twelve of the fifteen firms reporting said premiums are readily paid for meat-type animals. The other three said the practice varied. Eleven said there is a certain premium most commonly paid while the other four said there was not. Comments made regarding how readily premiums are paid divided themselves into two groups. One group of comments expressed the idea that existing premiums were not large enough and the other brought out that the premium varied closely with receipts. Light receipts mean very little premium and excessive receipts mean a sizeable difference in prices for meat and fat-type hogs.
The premium most commonly paid seemed to center around 25 to 50 cents per cwt. A large range was quoted with $1.00 per cwt. at the upper end.

One objection often raised concerning hog pricing is the inconsistency of premiums or differential for meat-type. Some producers of meat-type report always receiving a premium and others report never receiving a premium. Some have stated that sometimes a premium is received and sometimes not. The inconsistency complicates the work of those attempting to influence producers to change or modify hog types. If the premiums or discounts are not constant what causes them to vary? With this question answered producers may be able to make adjustments in production and marketing which would allow them to take advantage of market differentials. According to replies on this questionnaire premiums do vary and vary mostly because of uneven day to day supplies and uneven demand. The season of the year apparently has little to do with premiums for meat-type other than market supplies are heavier in one season than another.

At least one interior packer has experimented by marking producers' statements of sale with the number of hogs he delivered of each grade and the respective price for each grade and then suggesting he reappraise his breeding stock and program if a very small number are of the desirable type. This would appear to be an effective means of education. The commission firms were asked if they ever reflected or implied this information on the statement of sale. Ten of the fifteen answered "no", four said "yes" and one said "sometimes". Two of those answering yes said it was included with a personal letter with account of sale.
When asked if they thought this would be a feasible and effective means to encourage the production of meat-type hogs, eight said yes, four said no. One answer was qualified and two gave no answers. If all hogs were sorted and sold by grade at different prices for each grade, as many products are, it would seem likely that more producers would be encouraged to produce those grades commanding the highest prices.

**Main Obstacles to Increased Production of Meat-Type Hogs**

This group gave their opinions on the main obstacles to increased production of meat-type hogs in the manner shown in Table 8.

**Table 8**

<table>
<thead>
<tr>
<th>Obstacles to Increasing Meat-Type Hogs As Reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>By Commission Firms</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Item checked</th>
<th>Number of times</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resistance to change</td>
<td>1</td>
</tr>
<tr>
<td>Producers fear of higher production costs</td>
<td>6</td>
</tr>
<tr>
<td>Lack of breeding stock</td>
<td>3</td>
</tr>
<tr>
<td>Producers not reached by meat-type story</td>
<td>1</td>
</tr>
<tr>
<td>Lack of realistic price differential</td>
<td>9</td>
</tr>
<tr>
<td>Others</td>
<td>1</td>
</tr>
</tbody>
</table>

The opinions given by this group of trade agencies to this question again put emphasis on production costs and pricing as the major obstacles to the meat-type problem. More than one item was checked by some which accounts for the total number checked exceeding the total number of replies.

**Meat-Type Being Increased As Rapidly As Possible?**

It has been brought out that progress is being made, but is the rate of progress all that can be expected? This group felt it was by a ratio of 9 to 4 with 2 giving no opinion. This is not the same as that reported by some of the other groups.
Summary

A lower estimate of the number of meat-type hogs was made by commission firms than by meat packers. No doubt a share of this difference is a result of not considering volume of individual packers. Another reason could be that interior packers are receiving through direct delivery higher average quality hogs than are delivered for sale at terminal markets.

The percentage of meat-type hogs varies mainly by seasons, and by the hog-corn ratio. The swine industry would be benefited by more quality hogs. A shift to more meat-type would increase the competitive position of pork, strengthen price levels and facilitate merchandising of pork. These were opinions of these commission firms.

Commission firm personnel felt they were familiar with U.S. Grades of hogs and the requirements for grades.

Sorting hogs by live grades was a practice not widely carried out although it was done customarily by some.

Premiums are readily paid for quality with 25 to 50 cents per cwt. most commonly paid. Perhaps the most significant factor regarding quality pricing brought out was the absence of uniformity and regularity of paying premiums.

Uneven supplies are the biggest factor which cause premiums to vary. Light receipts generally mean no premium while heavy runs result in price differentials.

For the most part producers are not informed how their hogs grade and a majority of commission firms felt if farmers were given this information on their statement of sale it would encourage production of
those grades commanding the highest prices.

Opinions as to main obstacles to increased production of meat-type hogs centered on production costs and quality pricing.

Nine of this group of 15 commission firms felt meat-type hogs are being increased as rapidly as can be expected while the remainder felt differently or gave no opinion.
CHAPTER VI

OPINIONS AND EXPERIENCES OF LIVESTOCK ORDER BUYERS

The order buyers surveyed were those listed as operating at the two terminal markets (Sioux Falls and Sioux City) that receive a large number of hogs produced in this state. Replies were received from thirteen firms but only seven purchased swine on order. These firms purchased as few as 60,000 head per year and as many as 300,000 head per year. The average number purchased for the seven firms was 140,000 head per year.

These agencies were asked first if their orders ever specified that the hogs they buy be meat-type rather than fat-type. All replied yes to this question and three of the seven added "frequently". One replied that if the orders were always filled correctly the hogs purchased would all be meat-type.

Per cent of Hogs Purchased That Are Meat-Type

This group was also asked to make an estimate of the number of meat-type hogs as were the commission firms and meat-packers. Estimates of the number of meat-type hogs purchased by the individual order buyers ranged from 10 per cent to over 25 per cent. Based on the number of hogs this group bought per year and the percentage they estimated were strictly meat-type approximately 23 per cent of the hog purchases made by this group of order buyers were meat-type. This is about the same estimate as was made by commission firms.

Quality Pricing

Price premiums and discounts were reportedly customarily paid by
this group. Only one said that discounts were seldom paid and all re-
ported they customarily paid premiums for meat-type. The premium most
commonly paid was between 25 and 50 cents per cwt. with the most typi-
cal being 25 cents per cwt. It was reported that premiums varied with
orders and degree of fatness. One buyer reported that premiums would
vary from 10 cents to one dollar per cwt. on hogs within the same weight
bracket according to the degree of fatness.

Most of the buyers stated that premiums also varied with receipts
and that during the months of lightest receipts when competition was
sharpest premiums were more readily offered. This would be during
March, April, May, June and July. This is exactly the opposite as re-
ported by commission firms. Three stated premiums were paid all year
around as the market demanded. All agreed that they would like to see
the percentage of meat-type hogs increase.

**Familiarity with U. S. Hog Grades**

When asked if they were familiar with the U. S. Grades of hogs
and the requirements for these grades five of the seven said yes, one
said partially and one gave no answer.

**Summary**

Seven replies were received from order buyers on two terminal
markets. The average number of hogs purchased was approximately
140,000 head per year per firm.

These firms said their orders frequently specified they buy
meat-type hogs rather than fat-type.

About 23 per cent of the hogs this group of buyers purchased
were reported to be meat-type.
Price premiums and discounts were paid by all but these varied both in amount and with market conditions. This group reported that premiums were more readily offered during the lightest receipts which is inconsistent with what was reported by commission firms. Perhaps this is due to definition of premiums. It may be that sharp changes in price levels may be associated with or mistaken for absence or presence of premium. When lots are not sorted and graded this might easily be the case.

All of these buyers would like to see the percentage of meat-type hogs increase and for the most part felt that they were familiar with the grades and standards of live hogs.
CHAPTER VII

OPINIONS AND EXPERIENCES OF COMMERCIAL SWINE PRODUCERS

The questionnaire received by commercial hog producers was divided into three parts. One part was concerned with those producers who reported they raised meat-type hogs. Another section questioned those who said they did not produce meat-type hogs and the third part was answered by both groups. By dividing the questionnaire in this manner an attempt was made to roughly determine the percentage of producers raising meat-type and then the reasons why they did or did not produce meat-type hogs.

Those receiving questionnaires were randomized to the extent that every fortieth individual who reported hogs for tax assessment in 1955 received a schedule. Slightly over 15 per cent returned completed questionnaires which may be considered an average return considering the questionnaires were necessarily rather lengthy and were mimeographed and not printed. Average annual sales of those returning questionnaires were 91 head of butcher hogs, 15 sows, 10 head of stock for breeding and 13 others which included stags, boars, and feeder pigs.

Producers Understanding of "Meat-Type" Hogs

An attempt was made first to establish if the respondents understood what was meant by the term "meat-type" hogs. Of the 113 who returned questionnaires 97 said they understood what was meant by this term, 14 said partially, one gave no opinion and only one said no. This appears to be a very high percentage of producers who have an understanding of meat-type hogs however, a later question that inquired if they
were familiar with the U. S. Grades and standards for the grades showed
that fewer respondents were less familiar with the grades than said
they understood the term meat-type hogs. (Table 9)

Table 9

<table>
<thead>
<tr>
<th>Question</th>
<th>Response</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you understand what is meant by &quot;meat-type&quot; hogs?</td>
<td>Yes</td>
</tr>
<tr>
<td>Are you familiar with the U.S. Grades for hogs such as U.S. No.1, 32 U.S. No.2, U.S. No.3, and the requirements for these grades?</td>
<td></td>
</tr>
</tbody>
</table>

The response to the question concerning grades appears to be more realistic and as such raises a question concerning the way question one in Table 9 was answered. If an inconsistency is admitted by the manner which the two questions in Table 9 are answered then at this point another question might be raised. Perhaps it can be concluded that some producers are raising hogs which they identify as meat-type but would actually not qualify for this distinction. This might also account for the fact that some producers are disappointed when they do not receive a premium for their hogs when sold.

Percentage of Producers Raising Meat-Type Hogs

After it was established whether or not the producers had an understanding of the term "meat-type" hogs they were divided into two

8 Of the 76 producers in this survey who said they raised meat-type hogs, 25 answered this question "yes", 21 "no", 28 "partially" and 2 gave no answer.
groups on the basis of their answers to a question inquiring if they produced meat-type hogs. Out of the 113 returning questionnaires 73 said they did produce meat-type hogs, 37 said they did not and 3 said they raised both. In light of the estimates of the number of meat-type hogs that have been made in earlier chapters the question can again be raised concerning the proficiency of producers in their ability to recognize true meat-type animals.

Each group was then questioned as to why they did or did not raise meat-type hogs. Questions were also asked concerning their operations and experiences with meat-type hogs.

**Inquiries to Producers Who Say They Raise Meat-Type Hogs**

One of the limiting factors to an expansion in number of meat-type hogs that has been expressed frequently is the lack of breeding stock. According to these producers this is not too serious an obstacle.

A more serious obstacle may be the fact that many producers feel meat-type breeding stock is priced higher than what is necessary to pay for other breeding animals. Sixty-nine per cent of those who said they raised meat-type hogs said they must pay more for meat-type boars. This may be preventing some who are indifferent from changing over to a meat-type program. (Table 10)
Table 10

Producer Response to Questions Regarding Meat-Type Breeding Stock

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No.</th>
<th>Some</th>
<th>No</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Have you had any difficulty obtaining suitable meat-type breeding stock?</td>
<td>13</td>
<td>39</td>
<td>20</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Do you think you must pay more for meat-type boars?</td>
<td>51</td>
<td>23</td>
<td></td>
<td>2</td>
<td></td>
</tr>
<tr>
<td><strong>If so how much more?</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$5-9</td>
<td>2</td>
<td>14</td>
<td>1</td>
<td>12</td>
<td>15</td>
</tr>
</tbody>
</table>

Quality Pricing

There was little agreement among this group of commercial hog producers regarding efficiency of pricing for meat-type hogs. As was found in some of the other groups, premiums were not received in all cases, they varied in amount, were not regularly dependable and in general were not considered to be large enough when they were given (Table 11)

Table 11

<table>
<thead>
<tr>
<th>Question</th>
<th>Always</th>
<th>Part of the time</th>
<th>Never</th>
<th>Usually</th>
<th>Seldom</th>
<th>No Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Do you receive a premium for your butcher hogs when they are sold because they are meat-type?</td>
<td>7</td>
<td>33</td>
<td>18</td>
<td>6</td>
<td>7</td>
<td>3</td>
</tr>
</tbody>
</table>

Less than 10-24¢ 25-34¢ 35-49¢ 50-74¢ 75-99¢ 10¢ per cwt. per cwt. per cwt. per cwt. per cwt. per cwt.

About how much of a premium have you received 5 17 11 10 8 0

It was felt that it was important to find out what had motivated these farmers to raise meat-type hogs. If the reasons why these producers changed over to meat-type from fat-type could be determined it
would provide information which could be emphasized in future educational work.

When asked why they shifted to meat-type hogs a wide range of comments were made but two factors were outstanding and were mentioned more times than all the others combined. These two factors having the most influence were anticipation of a higher price and the market demand for meat-type. (Table 12) This would indicate that these two points have been accepted in the past and that they could continue to be stressed in the future.

Table 12

<table>
<thead>
<tr>
<th>Reasons Given</th>
<th>Number of Times</th>
</tr>
</thead>
<tbody>
<tr>
<td>To get higher price</td>
<td>22</td>
</tr>
<tr>
<td>Market demand</td>
<td>18</td>
</tr>
<tr>
<td>Too much lard on market</td>
<td>3</td>
</tr>
<tr>
<td>Easy to raise, bigger litters</td>
<td>2</td>
</tr>
<tr>
<td>Better hogs</td>
<td>2</td>
</tr>
<tr>
<td>Help hog prices in long run</td>
<td>1</td>
</tr>
<tr>
<td>More profit</td>
<td>1</td>
</tr>
<tr>
<td>Ready for market sooner</td>
<td>1</td>
</tr>
<tr>
<td>It was the trend</td>
<td>1</td>
</tr>
<tr>
<td>Trying something new</td>
<td>1</td>
</tr>
<tr>
<td>Just happened to buy such pigs</td>
<td>1</td>
</tr>
</tbody>
</table>

Another aspect of quality pricing investigated was price differentials at different market points. If one method of marketing is more consistent in recognizing quality then this information should be made known and used by producers. By the same token if there is no significant difference in pricing efficiency for various outlets this also should be recognized. The survey indicated the manner by which producers of meat-type hogs marketed their animals and gave their experiences regarding premiums received at the various outlets. There seemed to be
little difference in the frequency of paying premiums or their magnitude between those marketing through a public stockyards and those marketing direct to a packer. It might be concluded that a slightly higher average premium was received when marketing direct. It did seem apparent however that those producers marketing through a country buying station and through auctions received premiums less frequently and that they were smaller in amount than the producers marketing either direct or via public stockyards. (Table 13) In this survey 72.7 per cent of those marketing direct to packers had sometimes received a premium. This may be compared to another survey conducted by a national swine newspaper where 55.2 per cent of the respondents said a premium had been paid to them when marketing direct to a packing plant. The remainder or 43.8 per cent said a premium was not received when marketing direct. 9

<table>
<thead>
<tr>
<th>Table 13</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Premium Received By Producers of Meat-Type Hogs at Various Market Outlets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount of premium (cents per cwt)</td>
</tr>
<tr>
<td>Marketing through public stockyards</td>
</tr>
<tr>
<td>Marketing direct to packer</td>
</tr>
<tr>
<td>Marketing through country buying station</td>
</tr>
<tr>
<td>Marketing through auction</td>
</tr>
</tbody>
</table>

9 National Hog-Farm Survey, National Hog Farmer, Box 156, Grundy Center, Iowa, January 1957.
Inquiries to Producers Not Raising Meat-Type Hogs

Of the 113 who returned questionnaires 37 or about 33 per cent admitted they did not produce meat-type hogs. One-half of these said they were familiar or partially familiar with the U. S. Grades of hogs and the standards for these grades and the other half said they were not. One gave no answer. In comparison 70 per cent of the group who said they did raise meat-type hogs said they were familiar or partially familiar with the U. S. Grades and requirements for the grades.

What reasons were given by these farmers for not producing meat-type hogs? Twenty-one of the 37 who said they did not raise meat-type hogs said they were aware of the efforts being made to encourage producers to raise more meat-type and fewer lard-type hogs. Three said they had heard a little about it and the rest gave no answer. Nineteen said they had considered switching to meat-type or had thought about it and 3 said they had not considered it. Ten felt they were able to select meat-type gilts from their own herds. Six said they didn't know if they could and 9 said they could not. These 37 who reported they did not raise meat-type hogs were asked if they were given assistance in selecting gilts and locating boars would they be more inclined to raise meat-type hogs. To this 8 said yes, 7 said maybe, 6 said no and 3 gave no opinion. Twenty felt that lard-type were the most efficient to produce. Seven felt that there was little difference in cost of production, 8 gave no opinion on this and none said meat-type were most efficient. In contrast 26 of those who said they did produce meat-type hogs said there was little difference in cost of production between meat-type and lard-type, 14 said meat-type were the most
efficient. Here again do we find farmers raising meat-type hogs who apparently feel they are making a sacrifice as they report production costs are lower for lard-type.

**Comparison of Those Farmers Producing Meat-Type and Those Producing Fat-Type**

There did not seem to be any significant feature regarding time of farrowing, time of selling or market weights which would distinguish meat-type producers from fat-type producers. It did seem however that meat-type producers used a more systematic method of selecting gilts and stressed selection more than did the fat-type producers.

Producers of meat-type hogs seemed more aware of consumer research which pointed out the price differentials housewives would pay for meaty cuts.

A higher percentage of those farmers producing meat-type hogs than those producing fat-type felt that the swine industry would be helped if less lard were produced.

Most producers made comments on the points brought out in the questionnaire. A summary of some of these are included here.

**Comments By Those Reporting They Raise Meat-Type**

"Meat-type hogs grow and mature slower than fat-type—should be a wider price range."

"At the present time the demand is for meat-type hogs—I think we should raise what they want."

"Packers must pay a bigger premium to get farmers to switch to meat-type hogs."

"Farmers will not get a right market for hogs as long as the packers control it. There should be a law which will not allow hog prices to vary more than 10¢ in one day."
"Main trouble with hog feeding is too much corn and not enough small grain. Last year I fed oats and rye and no corn and got 60¢ over top the day I sold them."

"Too great a difference between what farmer gets and what it costs over the counter."

"I think the meat-type hog should be developed with a better bone structure—I have been feeding commercial feed free choice and have been marketing in a little over 5 mo at a cost of less than $10 per cwt."

"Can market lard-type faster."

"The market is not adjusted good enough to meat-type hogs."

"If raised meat-type hogs some foreign country will take over the market just like wheat. If we don't have cheap local substitute will take over. Steaks are about ¼ tallow and people still pay a high price for it."

Comments By Those Reporting They Do Not Raise Meat-Type

"I think farmers should be required to raise on an allotment plan according to the size of the farm. This over supply comes from too many hogs as to few acres. Each farmer should have an allotment and a guaranteed price. If the money used for pork buying programs was given directly to the farmers instead of the packers it would have done some good."

"The price difference is not great enough for me to change am switching to farmer hybrid hogs which are meat-type hogs. I'm convinced that a lard-type hog that is not pushed too fast and not too excess weight will not have excess lard on them. If everyone would sell at 200-210 lbs the lard type hog would be no problem."

"Have crossed Poland Chinas with Yorkshire hoping to get more meat-type hogs."

"I don't believe the markets should have the variation just because of a large run of hogs. Meat prices do not change with the market prices. I think the livestock cards sent out by the gov't telling how many hogs the farmer has helps the packers because they know just how many hogs there are and set their prices accordingly. If the farmer holds back his hogs get fatter and he still gets less after he had fed them. I believe whenever the supply of hogs is large meat-type hogs will receive a poor price regardless. Whenever there are few hogs fats backs sell the best."
Summary

The results of this survey indicate that almost all farmers have heard something about meat-type hogs. Only two farmers out of the 113 who returned questionnaires said they did not understand what was meant by the term "meat-type hogs". Even though the producers covered in the survey admitted understanding of this term only 71 of the 113 said they were familiar with the U. S. Grades of swine and standards for the grades. The rest said they were not familiar with the grades or gave no answer.

Almost 65 per cent of those returning questionnaires said they produced meat-type hogs. In light of estimates presently being made by industry and of the other groups in this survey the validity of this response can certainly be questioned.

The producers raising meat-type hogs felt that the lack of breeding stock was not too serious an obstacle. They did feel that meat-type breeding stock was moderately higher priced than other breeding stock.

In general these producers of meat-type hogs were dissatisfied with the pricing efficiency of their hogs. Only 7 reported always receiving a premium. Thirty-three said they received a premium part of the time, 18 said they never have received a premium. The premium, when received, was not considered large enough.

Anticipation of a higher price and the market demand for this type were the main influences which caused producers to switch to meat-type.

Market outlets seemed to vary but little in paying price differentials for meat-type. According to these farmers those marketing at country buying stations and auctions received premiums less frequently
and they were smaller in amount than the producers marketing either
direct or at public stockyards.

One-third of the 13 producers who returned questionnaires said
they did not raise meat-type hogs. Apparently lack of information was
not the reason many of these chose to raise hogs other than meat-type
as one-half of these said they were familiar with the U. S. Grades and
the requirements for these grades. Also 21 of the 37 who admitted they
did not raise meat-type said they were aware of the efforts being made
encouraging farmers to replace lard or fat-type with meat-type. Most
of them felt meat-type were less efficient to produce than fat-type.
In contrast only about one-third of the group who said they produce
meat-type said lard-type were the most efficient. In this case these
producers who say they are raising meat-type, and say that meat-type are
less efficient to produce apparently feel they are raising them at a
sacrifice.

Producers of meat-type hogs seemed to be less casual in selection
of breeding stock than the fat-type producers.
CHAPTER VIII

DISCUSSION AND CONCLUSIONS

The obstacles to increased production of meat-type hogs are many. Some of them and some suggested means of overcoming them are enumerated and summarized briefly in the following paragraphs.

1. The belief held by many swine producers, which include both commercial and purebred producers, that meat-type hogs are slower to gain and are less efficient to produce than are fat-type.

Overcoming this obstacle will not be without difficulty for apparently it is well intrenched. A continued and renewed educational effort will be needed with emphasis on the results of experimental feeding trials. Identification by producers of what constitutes a true meat-type animal as distinguished from the several misconceptions that are held will also be necessary to help overcome this obstacle.

2. Inefficient quality pricing.

This is perhaps the most important problem in the overall meat-type area. A common attitude prevailing is that since meat-type hogs are more expensive to produce a premium must be received to recover these additional production costs. Although there is a great amount of research disproving this it remains a great obstacle.

An ideal price structure would be one that recognized value to its fullest extent. This would provide for discounting the less desirable grades as well as rewarding fully the desirable grades. Some markets
are approaching this while others are not. What the price differentials for the various grades should be in order to encourage a much higher proportion of the most desirable grades is speculative. It is doubtful that many producers holding the common belief of higher production costs associated with meat-type hogs consider a 25 to 50 cent premium sufficient incentive to make any major changes in their operations. What premium or discount or combination of premium and discount would motivate change then? This question needs study but it is doubtful that any premium of less than $1.00 per cwt for No. 1 hogs over No. 3 hogs in the same weight bracket would provide the desired results.

In addition to price differentials being of adequate magnitude they must be more regularly dependable than is the case generally now. Producers could exert some pressure to this end by taking fuller advantage of marketing outlets that offer unvarying premiums and discounts. It is appreciated that there are no doubt valid conditions which result in varying price grade differentials. It is not suggested that a rigid, unflexible premium-discount schedule can be universally adopted or if so that it would be a complete solution to this problem area. It must be recognized however that premiums or discounts on an unstable or undependable basis are not conducive to increasing production of a quality product.

Under the present conditions producers should determine as closely as possible when it is most likely that premiums will be paid. They can then adjust farrowing dates and feeding rates so their marketings would coincide closely with the periods when premiums would be most readily paid. This plan would be of more value to producers.
on a one or two litter system. It would be of less assistance to those engaged in multiple farrowings where choice of marketing dates cannot be regulated as easily.

3. Swine and pork marketing practices. 10

Consumers do prefer lean pork. Research studies conducted by workers at several colleges prove this. A recent study at Illinois showed that consumers bought as many lean chops as fat chops when the lean pork chops were priced at 18 cents a pound higher than the fat chops. Twice as many lean chops as fat ones were sold when the lean chops were priced 10 cents above the fat. Other research at Michigan, Missouri and that done by individual retailers indicate similar results.

Despite this definite consumer preference, the average weight and lard yield of hogs has increased as was shown in Chapter II.

We also know that farmers can and are producing meat-type hogs for less cost than fat-type hogs. Researchers at Iowa State College have found that for every one-tenth inch less backfat pigs used 4 1/2 pounds less feed for 100 pounds of gain. Over 600 pigs were involved in the tests. There is no conflict between fast-gaining and efficient meat-type hogs.

These three items then (1) consumer preference for lean meat, (2) too much fat and (3) lower production costs for meat-type raise some questions. One question might be—Is our marketing system performing its function of reflecting back consumer preference to

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10 This section drew heavily on an article "Better Marketing Could Speed-up Shift to Leaner Pork" by C. B. Cox and P. J. Luby, "Economic and Marketing Information For Indiana Farmers", March 29, 1957.
producers? Most seem to feel it is not or more of our total butcher hogs would be meat-type than the present 15 to 20 per cent.

What Are the Changes Needed?

What are some suggestions that will bring about the desired changes under our present marketing system? Some things that need consideration might be:

1 - Grades and standards for pork at retail that follow consumer preference and pricing according to these preferences.

2 - Processors buying on value and selling to retailers on the basis of consumer wants.

3 - Markets that are able to identify differences in value, indicating to farmers what processors want.

4 - Farmer delivery of the type and weight desired.

How to Get These Changes

A great deal of industry cooperation is needed to maintain pork's position in the food industry.

1 - Farmers must learn to produce meat-type hogs and market them more effectively. An attempt should be made to select markets that pay price differentials on the basis of value and not on weight groups alone.

2 - Markets must provide an opportunity for farmers to sell on a sorted, graded, merit price differential basis if they desire.

3 - Packers must train buyers to recognize meat-type hogs and pay for them on the value of the meat derived and train salesmen to merchandise meaty pork cuts.
4 - **Retailers** must maintain price differentials in the meat counters (a steady supply of meat-type cuts will be required).

5 - **Consumers** need information which will enable them to do a wise job of shopping which will maintain pressure for improved quality.

**Some Changes That Are Talked About**

Unless some of the above changes or other improvements are made the hog industry may be facing a long-run declining market.

As with some other products the hog industry may develop what is termed "vertical integration". One organization in the marketing channel, for example, a retail chain, might contract with or operate packing plants or contract with farmers for hogs of specific qualities or would produce them themselves.

Another change being talked about is for some outside organization such as a feed company contracting with both farmers and processors for scheduled production of a uniform, specified product.

Of course, we can be patient and let the present process follow its course with a little prodding from interested groups in the hope that the change will come about. This is a slow course.

There may be other ways or a combination of these might eventually be put into effect. From the hog farmers' standpoint, if the marketing system does not reward him realistically, he will be in a less favorable position than producers of other agricultural products.

Although this study has brought out very little that is actually new it has served to verify many of those items which were merely
speculative. As a result of the information revealed it would appear that educational efforts need to be renewed and in education or information lies the most satisfactory answers to the meat-type problem. Education is a continuing process and it cannot be limited to only one segment of the industry but must be coordinated through all phases from producer through consumers.

Additional research and economic analysis is needed in each segment of the swine industry. Producers need fuller information on the economics of meat-type hog production versus fat-type production. Markets need information on costs and benefits of sorting, pricing and sale of graded lots. Processors need information on costs and benefits of preparing and merchandising pork by grades. Retailers need information on merchandising pork by grade and consumers need a fuller understanding of the variable quality of pork cuts and products. In addition appraisal needs to be made of the net economic affect on the corn belt hog industry of changing to a meat-type hog. Included in this might be study on questions such as the affect on hog numbers, the total dollars received for the hog crop, the effect on net profits of all segments of the swine industry and any time pattern changes of production and marketing that might result. When many of these questions can be answered by research real progress toward improving the lot of all those in the industry can be expected. Even without these needs being entirely fulfilled real progress will continue to be made.
LITERATURE CITED


Ray, O. M., and Cox, C. B., *What Are Indiana Markets Paying For Lean-Type Hogs?*, Economic and Marketing Information For Indiana Farmers, Purdue University, Lafayette, Indiana, April 26, 1956.


Wills, W. J., *Some Factors in Hog Prices and Movements*, University of Illinois, Extension Circular 691, April, 1952.
APPENDIX
Dear Sir:

We are conducting a survey of several groups who are concerned with the swine industry. Through this survey we hope to learn of some of the opinions held and some of the experiences you have had. In this manner perhaps we can find new approaches to problems now facing the industry.

Will you help us by completing this questionnaire and returning it in the envelope provided? Your cooperation is appreciated.

Sincerely,

Edward Dailey
Livestock Marketing Specialist

Survey Questionnaire
(Purebred Hog Producers)

1. What breed of hogs do you raise? ________________________________

2. About how many animals do you sell for breeding purposes each year?
   Boars ________ Females ________

3. Do you emphasize meat-type hogs in your breeding program?
   Yes ____ No ____ Some ____

4. Do you advertise your purebred hogs for sale as meat-type?
   Yes ____ No ____

5. Does your breed association encourage the production of meat-type hogs?  Yes ____ No ____ Don't know ____

6. Do you think fat-type or meat-type hogs can be produced more efficiently?
   Fat-type more efficient ________________________________
   Meat-type more efficient ________________________________
   Little difference in cost of production __________________
   Don't know ________________________________
7. What are the main points you consider when you select your breeding stock? 

8. Do you think the production of more meat-type hogs should be increased?  
   Yes ____  No ____

9. Do you feel that the number of meat-type hogs is being increased each year?  
   Yes ____  No ____  Don't Know ____

10. In your opinion would housewives be willing to pay more for cuts from meat-type hogs? Yes ____  No ____  Comment: __________

11. Would it be to the interest of all segments of the swine industry if the cuts from meat-type hogs were labeled as such when displayed to consumers? Yes ____  No ____  Comment: __________

12. What do you feel are the main obstacles to increased production of meat-type hogs? ________________

13. Do you feel that the number of hogs qualifying as meat-type is being increased as rapidly as can be expected? 
   Yes ____  No ____  Don't know ____
Dear Sir:

We are conducting a survey of several groups who are concerned with the swine industry. Through this survey we hope to learn of some of the opinions that are held and some of the experiences you and others have had. In this manner perhaps we can find new approaches to some of the problems the swine industry faces.

Will you help us by filling out this questionnaire? Your cooperation is appreciated and of course your questionnaire will be reported on only as a part of a group and in no way referred to alone. Please feel free to make any comments you care to.

Sincerely,

Edward Dailey
Livestock Marketing Specialist

Survey Questionnaire
(Meat Packers)

1. Approximately what per cent of your total hog slaughter do meat-type hogs comprise? ______

2. Approximately what per cent of your butcher weight (180-300#) barrows and gilts are meat-type? ______

3. Approximately what was the percentage of meat-type butcher hogs in 1950? ______

4. Would you care to see the percentage of meat-type hogs increased? 
   Yes ____  No ____  No opinion ____

5. Do you pay a premium for hogs because they are meat-type when delivered at your plant? Yes ____  No ____  Always ____  Part of the time ____
   Never have ____  Ordinarily ____  Not usually ____
6. If so what premium is customarily paid per cwt. for meat-type hogs?

   Less than 10¢ ___ 35¢ but less than ___ 50¢ ___
   10¢ but less than 25¢ ___ 50¢ but less than ___ 75¢ ___
   25¢ but less than 35¢ ___ 75¢ but less than $1.00 ___

7. Do these premiums vary? Yes ___ No ___ If so according to: market
   supplies ___; customer demand ___; season of year ___; competitive
   pressure ___; other ____________________

   Do they vary: Within one day ___, from day to day ___, from week to
   week ___, from month to month ___, from season to season ________?

8. Do questions 5, 6 and 7 apply as well for your open market buying
   operations? Yes ___ No ___. Comment: ________________________________

9. In your opinion what are the main obstacles to increased production
   of meat-type hogs? Resistance to change ___
   Producer fear of higher production costs ___
   Lack of breeding stock ___
   Producers not reached by meat-type story ___
   Lack of realistic price differential ___
   Other ____________________________

10. In your opinion would housewives be willing to pay more for cuts
    from meat-type hogs? Yes ___ No ___ Comment __________________________

11. Would it be to the interest of all segments of the swine industry if
    the cuts from meat-type hogs were labeled as such when displayed to
    consumers? Yes ___ No ___ Comment ____________________________
12. Do you feel that the number of hogs qualifying as meat-type is being increased as rapidly as can be expected? Yes ___ No ___
Don't know ___

13. Do you slaughter hogs on the carcass yield and grade basis?
Yes ___ No ___ On request ___

14. In your opinion what would be the best means for effecting a solution to the meat-type hog problem? Comment: ________________
Dear Sir:

We are conducting a survey of several groups who are concerned with the swine industry. Through this survey we hope to learn of some of the opinions held and some of the experiences you and others have had. In this manner perhaps we can find new approaches to some of the problems faced by the swine industry.

Will you help us by filling out this questionnaire and returning it in the envelope provided? Your cooperation is appreciated.

Sincerely,

Edward Dailey
Livestock Marketing Specialist

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Survey Questionnaire

(Commission Firm Hog Salesmen)

1. Approximately what per cent of the butcher weight hogs handled by your firm are "meat-type"? _______.

2. Approximately what per cent were meat-type five years ago? _______.

3. Does this percentage vary according to:  Season of the year _______.
   Hog-Corn ratio _______.
   Other _______.

4. Do you think the swine industry would be benefited if more meat-type and fewer fat-type hogs were produced? Yes____ No____
   No opinion _______.

5. In your opinion would the overall effect be:
   considerable _______ Slight _______ No opinion _______
   Moderate _______ No effect _______.

6. In what manner do you think a shift to meat-type hogs would affect the swine industry?
Increase competitive position of pork with other meats ______
Strengthen general price level of hogs _______________________
Facilitate merchandising of pork _____________________________
Have no effect ___________________________________________
Other _____________________________________________________
No opinion _________________________________________________

7. Are you familiar with the U.S. Department of Agriculture grades for live hogs such as U.S. No. 1, U.S. No. 2, U.S. No. 3 and the requirements for these grades? Yes ___ No ___ Reasonably ___

8. Do you customarily sort off meat-type animals from a drove when preparing them for sale? Yes ___ No ___ Usually ___ Occasionally ___
Never have ___ On request ___

9. Are premiums readily paid for meat-type animals? Yes ___ No ___
Varies ___ Comment: ___________________________________________

10. Is there a certain premium that is most commonly paid for meat-type hogs? Yes ___ No ___

11. If so is it:

   Less than 10¢ per cwt. ___ 35¢ but less than 50¢ per cwt. ___
   10¢ but less than 25¢ per cwt. ___ 50¢ but less than 75¢ per cwt. ___
   25¢ but less than 35¢ per cwt. ___ 75¢ but less than $1.00 per cwt. ___

12. If the premium for meat-type hogs or discount for fat-type hogs is not constant in your opinion what causes it to vary?

   Volume of market supplies ___ Season of the year ___
   Uneven day to day demand ___ Other _______________________
   No opinion ______________________
13. If a producer receives a premium for meat-type hogs or a discount for overfat hogs is this reflected or implied in any manner on his statement of sale?  
Yes  
No

14. Do you think this would be a feasible and effective means to encourage the production of meat-type hogs?  
Yes  
No

Comment: ________________________________________________________________

15. In your opinion what are the main obstacles to increased production of meat-type hogs? Resistance to change

Producers fear of higher production costs

Lack of breeding stock

Producers not reached by meat-type story

Lack of realistic price differential

Other

16. Do you feel that the number of hogs qualifying as meat-type is being increased as rapidly as can be expected?  
Yes  
No  
Don't know
Dear Sir:

We are conducting a survey of several groups who are concerned with the swine industry. Through this survey we hope to learn about some of the opinions held and some of the experiences you have had. In this manner perhaps we can direct new approaches to some of the problems now facing the industry.

Will you help us by completing the questionnaire and returning it in the envelope provided. Your cooperation is appreciated. Please made any comments you care to.

Sincerely,

Edward Dailey
Livestock Marketing Specialist

Survey Questionnaire
(Order Buyers)

1. Do you ever buy hogs on order? Yes ____ No ____

2. Do you ever have orders specifying hogs be "meat-type" rather than "fat-type"? Yes ____ No ____ Frequently ____ Seldom ____

3. What percentage of butcher weight hogs that you buy are meat-type rather than fat-type?

   Less than 5 percent ____ 15 but less than 20 percent ____
   5 but less than 10 percent ____ 20 but less than 25 percent ____
   10 but less than 15 percent ____ Over 25 percent ____

4. Do you customarily pay a premium for meat-type hogs?

   Yes ____ No ____ Usually ____ Seldom ____

5. Do you customarily pay a discount for fat-type hogs?

   Yes ____ No ____ Usually ____ Seldom ____
6. If you ever pay a premium for meat-type hogs about how much is paid?

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<tr>
<th>Premium Level</th>
<th>Percentage</th>
<th>Range of Per Cwt.</th>
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<tr>
<td>Less than 10¢ per cwt.</td>
<td>35%</td>
<td>35¢ but less than 50¢ per cwt.</td>
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<tr>
<td>10¢ but less than 25¢ per cwt.</td>
<td>50%</td>
<td>50¢ but less than 75¢ per cwt.</td>
</tr>
<tr>
<td>25¢ but less than 35¢ per cwt.</td>
<td>75%</td>
<td>75¢ but less than 1.00 per cwt.</td>
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7. If premiums are more readily paid in some months during what months would they most likely be offered?

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8. Would you like to see the percentage of meat-type hogs increase?

- Yes
- No
- No opinion

9. Are you familiar with the U.S.D.A. grades of hogs as U.S. No. 1, U.S. No. 2, etc. and the requirements for these grades?

- Yes
- No
- Partially

10. Roughly how many hogs do you buy per year? ___
Dear Sir:

We are conducting a survey of hog producers in the state. Through this questionnaire we hope to learn of some of the opinions you hold and some of the experiences you have had in producing and marketing hogs.

Will you take a few minutes of your busy time to answer some questions and return this questionnaire in the envelope provided? Your cooperation is appreciated.

Sincerely,

Edward Dailey
Livestock Marketing Specialist

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Survey Questionnaire
(Commercial Hog Producers)

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PART I

1. Do you market any hogs? Yes ___ No ____. If so do you raise them or buy feeder pigs? Raise ____ Buy ____

2. How many hogs do you sell each year?
   Butcher hogs ____  Breeding stock ____
   Sows _________  Other (feeder pigs, stags, etc.) ____

3. Do you understand what is meant by "meat-type" hogs?
   Yes ___ No ___ No opinion ___ Partially ____

4. Do you produce meat-type hogs? Yes ____ No ____

   NOTE: IF ANSWER TO QUESTION 4 IS "NO" SKIP TO PART II

5. Have you had any difficulty in obtaining suitable meat-type breeding stock? Yes ____ No ____ Some ____

6. Do you receive a premium for your butcher hogs when they are sold because they are meat-type hogs? Always ____ Part of the time ____
   Never have ____ Usually ____ Seldom ____
7. About how much of a premium have you received?

Less than 10¢ per cwt  
10¢ but less than 25¢ per cwt  
25¢ but less than 35¢ per cwt  
35¢ but less than 50¢ per cwt  
50¢ but less than 75¢ per cwt  
75¢ but less than $1.00 per cwt

8. Why did you shift to hogs that were more meat-type?

NOTE: DO NOT ANSWER PART II BUT SKIP TO PART III

PART II

1. Are you aware of the effort being made to encourage producers to raise more meat-type hogs and fewer lard-type?  
   Yes  
   No  
   Heard a little about it

2. Why do you think producers are being urged to raise more meat-type hogs and fewer lard-type? Comments:

3. Have you ever considered switching to raising a more meat-type hog?  
   Yes  
   No  
   Thought about it

4. Could you select meat-type gilts from your own herd?  
   Yes  
   No  
   Don't know

5. If you were given assistance in selecting your gilts and locating boars would you be more inclined to raise meat-type hogs?  
   Yes  
   No  
   Maybe  
   No opinion

NOTE: ANSWER PART III NOW
PART III

1. Do you think lard-type or meat-type hogs can be produced most efficiently?
   Lard-type most efficient   __________
   Meat-type most efficient   __________
   Little difference in cost of production __________
   No opinion__

2. Do the markets in your area normally pay a premium for meat-type hogs? Usually __ Part of the time __ Seldom __ Never that I know of __

3. Are you familiar with the U. S. Grades for hogs such as U. S. No. 1, U. S. No. 2, U. S. No. 3, and the requirements for these grades?
   Yes __ No __ Partially __

4. What method do you use in marketing your hogs?
   Through stockyards __ Direct to packer __ At auction __
   At country buying station __ Other __

5. What month or months do you usually sell butcher hogs?
   Jan. __ Apr. __ July __ Oct. __
   Feb. __ May __ Aug. __ Nov. __
   Mar. __ June __ Sept. __ Dec. __

6. At what weights do you usually sell your market hogs?
   180 - 200# __ 200 - 225# __ 225 - 250# __ 250 - 275# __
   Depends on my feed supply __
   Depends on price of corn and price of hogs __

7. Do you use any particular method for selecting gilts?
   Yes __ No __ What do you consider in selecting gilts? ______
8. During what month do you usually have your sows farrow?

Jan. _____ April _____ July _____ Oct. _____
Feb. _____ May _____ Aug. _____ Nov. _____
Mar. _____ June _____ Sept. _____ Dec. _____

9. Do you think housewives would pay more for pork cuts from meat-type hogs? Yes ____ No ____ No opinion ____

10. Would it help the swine industry if less lard were produced? Yes ____ No ____ No opinion ____

11. Do you think a change in feeding is necessary to produce meat-type hogs? Yes ____ No ____ No opinion ____

12. Do you think a change in breeding is necessary to produce meat-type hogs? Yes ____ No ____ No opinion ____

13. Do you attempt to select fat or lean hogs from your lot for your own use? Fat ____ Lean ____ Don't care ____

14. Do you think you must pay more for meat-type boars? Yes ____ No ____
If so how much more? $5 but less than $10 _____ $20 but less than $25 _____
$10 but less than $15 _____ Over $25 _____
$15 but less than $20 _____

15. How many years have you raised hogs? ____

Please make any comments you care to _______________________________

______________________________________________________________

______________________________________________________________