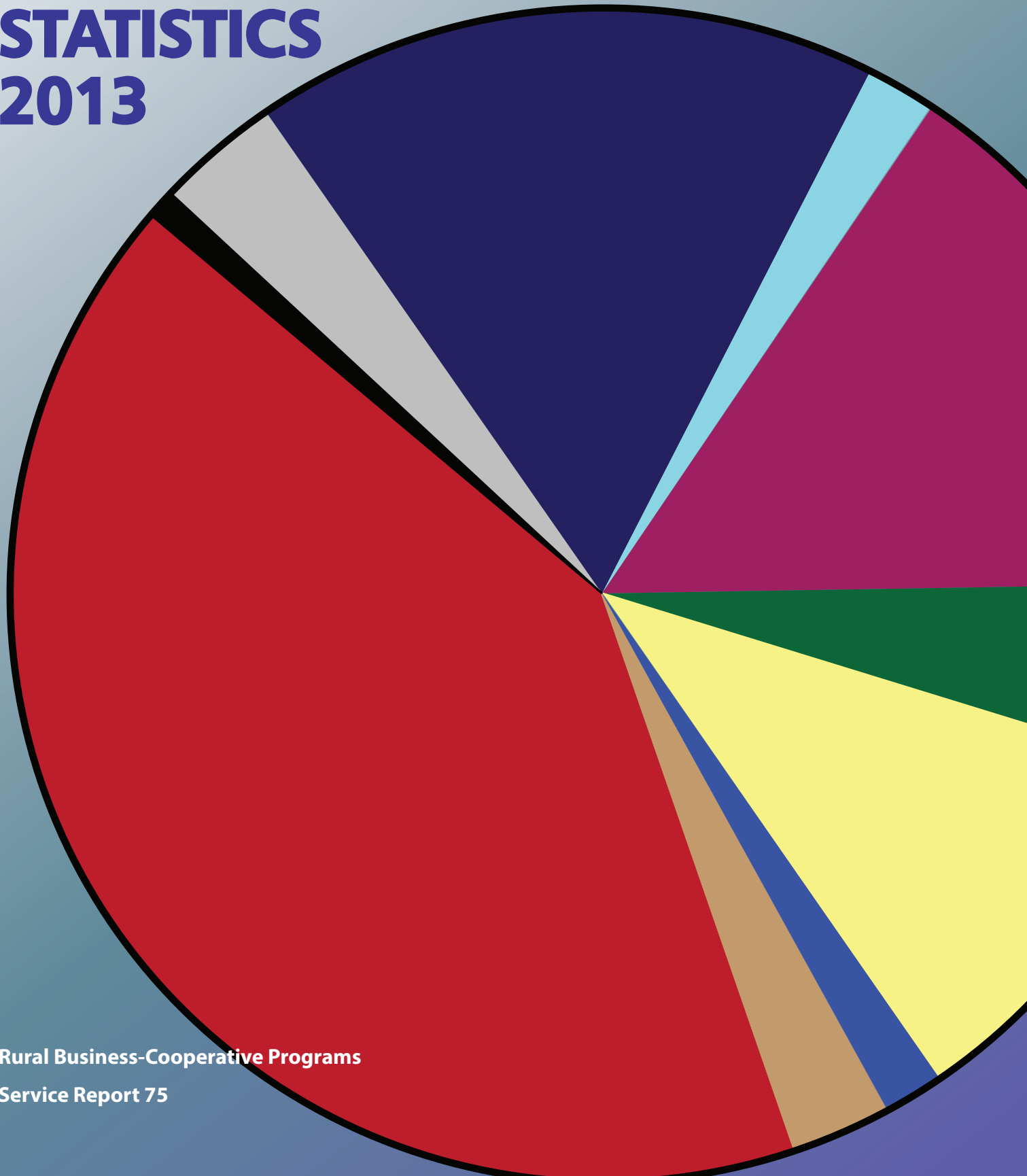




United States
Department of
Agriculture

Rural Development

COOPERATIVE STATISTICS 2013



Rural Business-Cooperative Programs
Service Report 75

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ABSTRACT

A survey of 2,186 U.S. farmer, rancher, and fishery cooperatives ending their business year during calendar year 2013 showed a record business volume and net income before taxes. Gross business volume was \$246 billion, while net business volume was \$209 billion and net income before taxes totaled \$6.2 billion. These cooperatives had almost \$83 billion in assets, \$48 billion of liabilities, and \$35 billion in equity. Cooperatives were a major employer in rural areas, with 136,000 full-time workers and 55,000 part-time or seasonal employees. Business

volume by commodity is reported for all cooperatives. Number of cooperatives, cooperative memberships, and number of employees are classified according to whether the business is a marketing, supply, or service cooperative. Trends in cooperative numbers, memberships, employees, business size, sales volume, net income, assets, liabilities, and net worth are reported.

Keywords: cooperatives, statistics, business volume, employees, memberships, balance sheet, income statement, financial ratios.

COOPERATIVE STATISTICS, 2013

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PREFACE

Cooperative statistics are collected annually to provide information on the progress and trends among the Nation's farmer, rancher, and fishery cooperatives. These statistics are used for research, technical assistance, education, planning, and public policy. The collection, analysis, and dissemination of cooperative statistics by the United States Department of Agriculture (USDA) are authorized by the Cooperative Marketing Act of 1926.

This report provides aggregate information on the number, membership, business volume, net income, basic balance sheet items, and full-time and part-time and seasonal employees of cooperatives for business years ending in calendar year 2013. Cooperatives are classified by principal product marketed and major function. Both gross (includes inter-cooperative business) and net (excludes inter-cooperative business) dollar volumes are reported.

Statistics for 2013 were compiled on a State and national basis. The information was collected by a

mail survey of all organizations identified by USDA Rural Development's Cooperative Programs as farmer, rancher, or fishery cooperatives. Information was requested for the 2013 business year.

USDA's Cooperative Programs conducts an annual census to gain accurate information for assistance purposes. Information obtained from individual cooperatives is combined with data from other cooperatives to maintain confidentiality.

Statistics for all cooperatives were derived by estimating data for non-respondents and combining this information with respondent data. Data from respondents and other sources accounted for 90 percent of the total gross sales of farmer, rancher, and fishery cooperatives in 2013.

USDA depends on the response to its annual survey to develop a detailed and comprehensive set of statistics on cooperatives. The time and effort taken by cooperative staff members to provide information, and the timeliness with which it is furnished, are greatly appreciated by USDA.

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HIGHLIGHTS

There are 2,186 U.S. farmer, rancher, and fishery cooperatives, according to the 2013 survey of marketing, supply, and service cooperatives conducted by USDA Rural Development's Cooperative Programs. This was the highest ever business volume and net income, before taxes, for U.S. agriculture cooperatives, surpassing the previous records set in 2012. U.S. crop production and livestock sales both increased 6 percent in 2013, and production input sales increased 2 percent. Many products had sales declines though, with cotton decreasing the most (-38 percent). Livestock, vegetables, and dairy all had at least a 3-percent gain in U.S. sales. Overall the farm economy saw U.S. sales decline for many crops and production inputs.

- Total gross business volume (includes inter-cooperative business) handled by cooperatives was \$246 billion; net business (excludes inter-cooperative business) was \$209 billion. Both are records, exceeding 2012 by \$8 billion and \$6 billion, respectively.
- Net income before taxes (NIBT) was \$6.2 billion, which includes inter-cooperative dividends and refunds of \$1.2 billion. This exceeds the 2012 record NIBT by \$46 million, while dividends and refunds exceeded the prior record set in 2009 (\$898 million) by \$300 million.
- Cooperative memberships were 2 million, down 140,000 from 2012.
- Cooperatives employed 136,000 full-time and 55,000 part-time and seasonal employees. Full-time employee numbers were up 7,000 from 2012, while part-time and seasonal employee numbers were down by 1,300.
- Gross value of products marketed by cooperatives was \$145 billion, with a net value (after eliminating duplication from inter-cooperative business) of \$136 billion. Both gross and net marketings were up about 2 percent from 2012. Grain and oilseed marketings were up over \$2.5 billion, while dairy product marketings increased about \$1.4 billion.
- Gross value of supplies handled by cooperatives was \$96 billion, with a net value of \$67 billion. Net supply sales were up almost \$2.5 billion primarily due to strong energy and feed ingredient prices. Petroleum and feed both had increases of about \$1 billion in net sales.
- Receipts for services related to marketing farm products and supplies, plus other income, totaled \$5.6 billion, up about \$860 million from 2012.
- Cooperatives had about \$83 billion in combined assets, down about 1 percent from the 2012 record high of \$83.4 billion. Net assets, after eliminating inter-cooperative investments, were \$77 billion. Inter-cooperative investments included those in CoBank.
- Total liabilities decreased \$5.3 billion, to \$48 billion.
- Net worth, or member and patron equity, was \$35 billion. Member and patron equity financed 42 percent of total assets, up from 36 percent in 2012.

Table A: Comparison of 2013 and 2012 Cooperative Statistics

	2013	2012	Difference	% Change
Number of cooperatives (<i>number</i>)	2,186	2,236	-50	-2.24
Memberships (<i>millions</i>)	2.0	2.1	-0.14	-6.53
Gross business volume (<i>billion \$</i>)	246.1	237.8	8.34	3.51
Net business volume (<i>billion \$</i>)	208.6	202.6	5.95	2.94
Net income before taxes (<i>billion \$</i>)	6.2	6.1	0.05	0.76
Total assets (<i>billion \$</i>)	82.6	83.4	-0.81	-0.97
Net worth (<i>billion \$</i>)	34.6	30.2	4.48	14.87
Full-time employees (<i>thousand</i>)	136.2	129.4	6.74	5.21

Cooperative Statistics, 2013

E. Eldon Eversull and Sarah Ali

I. DEFINITION OF A COOPERATIVE

USDA considers four major criteria in identifying farmer, rancher, and fishery cooperatives:

- (1) Membership is limited to persons producing agricultural and aquacultural products and to associations of such producers;
- (2) Cooperative members are limited to one vote, regardless of the amount of stock or membership capital owned, or the cooperative does not pay dividends on stock or membership capital in excess of 8 percent a year or the legal rate in the State, whichever is higher;
- (3) Business conducted with non-members may not exceed the value of business conducted with members;
- (4) The cooperative operates for the mutual interest of members by providing member benefits on the basis of patronage.

These criteria may result in larger or smaller numbers of farmer, rancher, and fishery cooperatives than found in lists or directories of State agencies or cooperative councils. Year-to-year comparisons with specific commodity groups reflect any differences in lists and classifications in State and Federal data.

Classification of Cooperatives

Cooperative Programs classifies each cooperative under one of the following major functions: marketing, supply, or service. For example, fertilizer cooperatives are classified as supply cooperatives, wool pools are classified as marketing cooperatives, and transportation cooperatives are classified as service cooperatives.

Marketing cooperatives derive most of their total dollar volume from the sale of members' products. Those cooperatives are further classified into 1 of 13 commodities or commodity groups, depending

upon which accounts for most of its business volume. Cooperative Programs may reclassify a cooperative into a different commodity category if its primary business volume changes significantly.

Supply cooperatives derive most of their business volume from the sale of production supplies, machinery and equipment, and building materials. Many also handle farm, ranch, and home items, such as heating oil, lawn and garden supplies and equipment, and food.

Service cooperatives provide specialized services related to the business operations of farmers, ranchers, or cooperatives, such as trucking, storing, or drying.

Many cooperatives handle multiple commodities and provide marketing and supply services, as well as the facilities and equipment used to perform these services. These associations are classified according to the predominant commodity or function, as indicated by business volume.

Prior year data has been revised in this report. Some revisions correct errors; others are due to new information. For instance, 82 cooperatives that had not responded in 2012 included with their 2013 surveys annual reports that also had 2012 information.

Organizational Membership Structures

Cooperative Programs further classifies marketing, supply, and service cooperatives into three organizational structures according to membership. The membership structures used are centralized, federated, and mixed.

Centralized Cooperatives

Of the 2,186 cooperatives in 2013, 2,130 were centralized organizations, mostly local cooperatives with individual farmer, rancher, or fishery members. Centralized cooperatives usually serve a local area or community, county, or several counties. Most usually perform a limited number of initial marketing functions. Most supply sales are at the retail level. A few centralized cooperatives, principally regionals, operate over multistate areas and provide

Figure 1: Cooperatives in the United States, 2004-2013

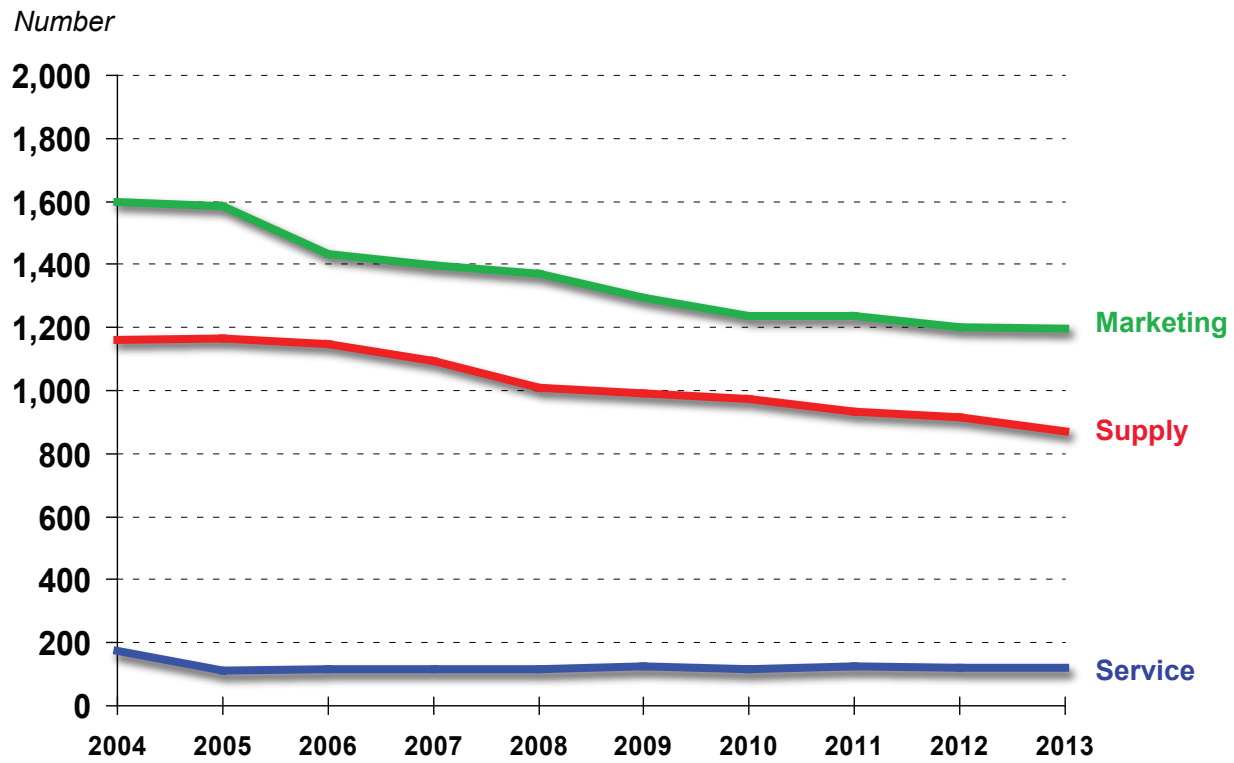
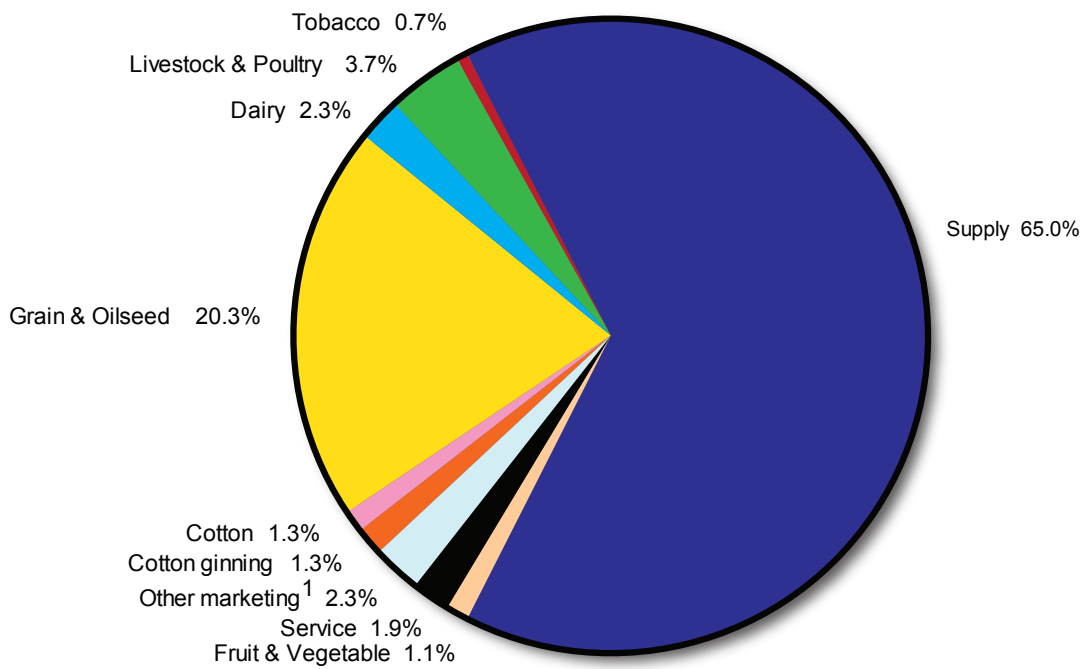


Figure 2: Distribution of Memberships, by Type of Cooperative, 2013



Percentages are based on 2.0 million total memberships.

¹Includes dry bean and pea, bioenergy, wool and mohair, rice, sugar, fishery, and other product marketing cooperatives.

Table 1: Number of cooperatives and memberships, by major business activity, 2013

Major business activity	Cooperatives <i>Number</i>	Memberships <i>Thousands</i>
Bean and pea (dry edible)	5	1.8
Cotton	12	25.1
Cotton ginning	148	24.8
Dairy	127	46.3
Fish	39	5.5
Fruit and vegetable	145	20.8
Grain and oilseed ¹	490	400.3
Livestock	91	71.7
Nut	18	9.9
Poultry ²	12	0.6
Rice	12	10.8
Sugar ³	27	9.5
Tobacco	5	13.8
Wool and mohair	41	9.5
Other marketing ⁴	23	5.1
Total marketing	1,195	655.3
Artificial insemination	12	52.4
Total supplies	871	1,284.3
Other services ⁵	98	36.5
Rice dryers	4	0.2
Storage	6	0.1
Transportation	12	0.4
Total service	120	37.2
Total	2,186	1,976.7

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Cooperatives primarily handling forest products, hay, hops, seed marketed for growers, nursery stock, bioenergy, coffee, and other farm products not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

⁵ Cooperatives primarily providing grading, testing, auctions, hulling, seed development, crop scouting, farmer markets, and other services.

more vertically integrated services, such as processing products or manufacturing feed.

Bargaining associations also have centralized organizational structures. They derive all or most of their business volume from negotiating with distributors, processors, and other buyers and sellers over price, quantity, grade, terms of sale, and other

factors involved in marketing products. Only a few bargain to purchase supplies. While the primary function of such an association is to bring buyers and sellers together to contract for the sale of members' products, many bargaining associations now perform additional functions.

For example, dairy bargaining associations at one time only negotiated price. Now, many perform additional functions, such as physically handling part of the milk for spot sales. Like other dairy marketing cooperatives, these cooperatives represent their members at Federal or State milk marketing order hearings.

Federated Cooperatives

The 37 federated cooperatives—two or more member associations organized to market products, purchase production supplies, or perform bargaining functions—often operate at points quite distant from their headquarters. Members are usually local cooperatives, although some are interregional associations with regional cooperative members.

Mixed Cooperatives

The 19 mixed cooperatives have individual farmer, rancher, or fishery members and autonomous cooperative members. These cooperatives use a combination of centralized and federated structures. They serve large geographic areas, with members in many States, and provide a variety of integrated services.

II. 2013 STATISTICS

Cooperatives' total gross business volume for 2013 was \$246 billion. Net business volume was \$209 billion, while net income before taxes (NIBT) was \$6.2 billion. This was the highest business volume and net income before taxes ever recorded for U.S. agriculture cooperatives, exceeding records set in 2012.

Cooperative sales increases were driven by increased sales in the overall farm economy. U.S. crop production and livestock sales both increased 6 percent in 2013 and production input (farm supply) sales increased 2 percent. Many products had sales

Table 2: Number of cooperatives, by major function and State, 2013

Function	Marketing	Supply & service	Total
<i>State</i>		<i>Number</i>	
Alabama	9	39	48
Arkansas	11	21	32
California	75	37	112
Colorado	12	15	27
Florida	22	8	30
Georgia	7	7	14
Hawaii	7	6	13
Idaho	15	8	23
Illinois	72	37	109
Indiana	9	24	33
Iowa	64	29	93
Kansas	57	32	89
Kentucky	7	19	26
Louisiana	11	23	34
Maryland	5	9	14
Massachusetts	3	5	8
Michigan	22	21	43
Minnesota	94	100	194
Mississippi	18	33	51
Missouri	22	38	60
Montana	19	25	44
Nebraska	32	19	51
New York	42	13	55
North Carolina	8	4	12
North Dakota	69	77	146
Ohio	30	11	41
Oklahoma	33	20	53
Oregon	19	13	32
Pennsylvania	21	15	36
South Dakota	37	34	71
Tennessee	3	58	61
Texas	144	37	181
Utah	5	7	12
Virginia	15	38	53
Washington	37	23	60
West Virginia	5	9	14
Wisconsin	67	58	125
Wyoming	5	5	10
Other States ¹	62	14	76
United States	1,195	991	2,186

¹ Includes States with fewer than 3 cooperatives for any function. States with at least three cooperatives were: Alaska, 5; Connecticut, 6; Delaware, 3; Maine, 22; New Jersey, 11; New Mexico, 9; South Carolina, 3; and Vermont, 3.

declines though, with cotton decreasing the most (-38 percent). Livestock, vegetables, and dairy all had at least a 3-percent gain in U.S. sales. Overall, the farm economy saw U.S. sales decline for many crops and production inputs.

Cooperative marketing sales were led by at least a 3-percent sales gain for grain and oilseed and dairy cooperatives, which was a \$4 billion increase. Supply sales grew by 4 percent over 2012, with petroleum leading the gain with an increase of almost \$2 billion, and feed grew by \$1 billion. Crop protectants grew \$500 million while fertilizer and seed both had declines in sales of less than 1 percent.

In 2013, agricultural cooperatives had 2 million members, with \$83 billion in assets and a record \$35 billion in equity. Cooperatives remained a major employer in rural areas, using 136,000 full-time workers.

Number of Cooperatives

The 2013 survey counted 2,186 marketing, supply, and service¹ cooperatives, compared with 2,236 in 2012. Of the 2,186 cooperatives, 1,195 primarily marketed products, 871 primarily handled production supplies, and 120 provided services related to marketing or purchasing activities (table 1, appendix figure 1). Revisions have been made to the 2012 data and prior years.

The proportion of marketing, supply, and service cooperatives to the total number of cooperatives remained virtually unchanged from 2012. About 55 percent of cooperatives are marketing cooperatives, 40 percent are supply cooperatives, and 5 percent are service cooperatives (figure 1 and appendix table 1).

There was a net decrease of 50 associations (2 percent) from 2012 to 2013, largely reflecting a continuing trend involving merger, acquisition, or dissolution. The largest decrease was 45 farm supply cooperatives, while dairy cooperatives decreased by 6.

¹ Services include trucking, storage, crop drying, livestock shipping, and similar services affecting the form, quality, or location of products and supplies. They do not include credit, electric, telephone, or other such services not directly related to marketing or supply activities.

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number Thousands		\$Millions			Number Thousands		\$Millions	
BEAN AND PEA, DRY EDIBLE					FISH				
United States	5	1.8	247.12	243.04	Maine	15	0.6	73.04	73.04
COTTON⁶					Other States	24	4.8	111.49	111.49
Texas	4	12.7	875.52	875.52	United States	39	5.5	184.53	184.53
Other States	8	12.4	1,744.64	1,740.70	FRUIT AND VEGETABLE				
United States	12	25.1	2,620.16	2,616.21	Arizona	3	0.8	78.88	36.43
COTTON GINNING⁶					California	33	11.2	2,876.68	2,087.07
Alabama	3	0.1	5.49	5.49	Florida	14	9.6	847.54	246.60
Arizona	4	0.1	25.91	25.91	Hawaii	4	0.2	7.71	7.71
Arkansas	3	1.8	36.87	18.21	Michigan	10	1.5	869.86	759.55
California	12	0.5	76.91	34.65	Minnesota	4	0.2	0.64	0.64
Louisiana	3	0.2	18.24	10.62	New Jersey	4	0.4	197.33	122.14
Mississippi	9	0.3	11.09	9.12	New York	8	0.6	76.63	76.48
Oklahoma	10	4.2	4.50	4.48	Oregon	10	0.9	643.75	625.65
Texas	99	17.3	230.84	226.63	Pennsylvania	3	0.3	435.56	435.56
Other States	5	0.5	49.27	35.20	Texas	3	0.0	90.21	77.75
United States	148	25.0	459.13	370.31	Washington	9	2.5	853.68	839.51
DAIRY					Other States	40	3.6	933.67	441.80
Idaho	3	0.1	472.17	472.17	Foreign ⁷	0	0.1	244.41	133.44
Illinois	3	1.9	1,877.42	1,876.47	United States	145	31.8	8,156.56	5,890.32
Iowa	3	2.4	1,741.64	1,690.58	GRAIN AND OILSEED⁸				
Minnesota	22	6.3	3,827.42	3,760.75	Colorado	7	3.8	283.02	282.97
New Mexico	4	0.1	850.11	436.56	Illinois	66	48.8	6,119.34	6,119.09
New York	29	3.1	2,824.61	2,465.69	Indiana	5	3.5	933.52	933.52
Pennsylvania	10	2.3	1,597.69	1,406.91	Iowa	55	61.4	11,360.48	11,190.91
Wisconsin	22	14.9	5,744.05	5,473.53	Kansas	57	67.7	4,488.08	4,482.35
Other States	31	18.9	23,793.90	22,601.22	Minnesota	54	35.6	12,003.45	11,969.84
United States	127	50.0	42,729.00	40,183.89	Mississippi	3	2.4	567.68	567.68
					Missouri	14	11.9	1,988.93	1,471.93
					Montana	4	0.8	1,079.54	1,079.54
					Nebraska	29	49.9	6,013.25	6,006.53

Continued next page

¹ Includes centralized and federated cooperatives and those with mixed organizational structures. Headquartered in the State listed.

² Includes voting farmer-members, but not nonvoting patrons. (Duplication in these membership figures occurs because many farmers belong to more than one cooperative.) Memberships include members of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

³ Data covering operations of cooperatives for fiscal years ended in 2013. States listed are those with more than two cooperatives or where disclosure was not a problem.

⁴ Gross business volume includes sales between cooperatives.

Gross sales include sales of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

⁵ Net business volume excludes sales between cooperatives. Net sales include sales of cooperatives not headquartered in the State listed. Totals may not add due to rounding.

⁶ Cottonseed sales of meal are included in feed sales, whereas oil sales are included in other marketing sales.

⁷ Includes memberships, marketing, and sales in other countries.

⁸ Excludes oilseed meal and oil. Oilseed meal is included in feed sales, whereas oil sales are included in other marketing sales.

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number	Thousands	\$Millions			Number	Thousands	\$Millions	
GRAIN AND OILSEED (continued)					SUGAR (continued)				
North Dakota	56	22.2	5,902.76	5,902.66	Foreign ⁷	0	0.1	3.67	3.67
Ohio	24	24.3	2,869.38	2,869.33	United States	27	10.2	8,705.83	6,030.19
Oklahoma	20	14.5	360.13	360.13	TOBACCO				
South Dakota	37	26.4	5,098.91	5,098.79	Tennessee	2	5.8	21.22	21.22
Texas	27	10.3	1,061.29	1,061.29	Other States	3	8.0	115.72	115.72
Washington	13	8.2	1,718.45	1,718.45	United States	5	13.8	136.94	136.94
Other States	19	17.6	5,114.35	5,093.02	OTHER MARKETING¹¹				
Foreign ⁷	0	0.0	44.15	44.15	Minnesota	7	4.0	1,944.12	1,841.05
United States	490	409.3	67,006.70	66,252.16	Other States	57	10.7	5,272.18	4,922.80
LIVESTOCK					United States	64	14.7	7,216.29	6,763.86
North Dakota	5	0.6	23.57	23.57	TOTAL MARKETING				
West Virginia	4	0.2	2.14	2.14	Alabama	9	2.7	502.94	502.94
Wisconsin	37	45.3	505.28	505.28	Alaska	5	3.0	12.64	12.64
Other States	45	25.8	2,814.30	2,814.30	Arizona	9	1.3	999.82	915.57
United States	91	71.9	3,345.30	3,345.30	Arkansas	11	12.5	2,095.35	2,037.13
NUT					California	75	19.9	10,997.06	10,064.99
California	9	4.4	1,264.80	1,262.17	Colorado	12	5.7	802.86	802.81
Other States	9	5.9	72.11	72.11	Florida	22	10.2	1,708.32	1,096.57
Foreign ⁷	0	0.1	0.00	0.00	Georgia	7	2.6	558.31	516.41
United States	18	10.4	1,336.90	1,334.28	Hawaii	7	0.5	8.75	8.75
POULTRY⁹					Idaho	15	3.8	1,589.59	757.35
California	4	0.1	202.86	202.86	Illinois	72	52.2	8,148.31	8,147.11
Other States	8	0.5	524.06	524.06	Indiana	9	6.4	1,977.33	1,945.93
United States	12	0.6	726.92	726.92	Iowa	64	66.9	14,725.47	14,467.33
RICE					Kansas	57	69.6	5,587.02	5,549.70
California	3	0.8	292.38	292.38	Kentucky	7	12.9	573.43	559.63
Texas	4	0.5	66.04	66.04	Louisiana	11	5.0	1,888.18	1,873.44
Other States	5	9.4	1,373.96	1,373.96	Maine	20	1.5	154.50	153.94
United States	12	10.8	1,732.39	1,732.39	Massachusetts	3	0.4	458.25	247.82
SUGAR¹⁰					Michigan	22	8.9	3,342.28	3,153.50
Idaho	5	0.5	839.06	6.83	Minnesota	94	49.7	22,824.27	20,888.58
Louisiana	4	1.4	863.25	863.25	Mississippi	18	6.5	1,176.22	1,170.25
Minnesota	3	2.5	4,069.96	2,338.43	Missouri	22	17.5	5,917.93	5,393.94
Wyoming	3	0.6	21.06	21.06	Montana	19	1.7	1,251.48	1,250.55
Other States	12	5.1	2,908.83	2,796.95	Nebraska	32	52.7	7,787.80	7,779.84
					New Jersey	9	1.6	297.10	197.60
					New Mexico	8	0.7	877.84	464.18
					New York	42	4.1	3,214.43	2,855.36
					North Carolina	8	2.0	668.44	631.42
					North Dakota	69	25.9	7,275.17	7,262.46
					Ohio	30	27.8	3,724.98	3,674.48
					Oklahoma	33	22.8	823.18	788.76
					Oregon	19	7.1	3,481.31	3,395.42
					Pennsylvania	21	3.6	2,044.26	1,853.48
					South Dakota	37	27.8	5,793.30	5,779.74

⁹ Includes eggs, turkeys, ratite, squab, and related products.¹⁰ Includes sugar, sugarcane, sugar beets, honey, maple syrup, molasses, and sorghum.¹¹ Includes forest products, hay, hops, seed marketed for growers, nursery stock, biofuels, coffee, wool and mohair, and other marketings not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number Thousands		\$Millions			Number Thousands		\$Millions	
TOTAL MARKETING (continued)					CROP PROTECTANTS (continued)				
Tennessee	3	7.6	216.15	170.37	South Dakota			606.34	358.63
Texas	144	44.4	4,940.95	4,335.85	Tennessee			188.56	171.65
Utah	5	2.6	256.80	224.25	Texas			144.62	99.82
Vermont	3	1.1	623.35	623.35	Utah			19.59	16.34
Virginia	15	3.7	606.93	548.69	Virginia			39.56	32.96
Washington	37	12.1	4,552.66	4,525.91	Washington			624.91	407.01
West Virginia	5	1.0	20.15	17.76	West Virginia			2.20	1.90
Wisconsin	67	65.9	8,308.69	7,618.16	Wisconsin			535.92	272.10
Wyoming	5	0.9	99.87	99.87	Wyoming			2.96	1.74
Other States	13	3.7	1,225.85	1,125.51	Other States			118.97	77.74
Foreign ⁷	0	0.4	464.28	320.99	United States			11,586.03	7,331.87
United States	1,195	680.9	144,603.77	135,810.32					

SUPPLIES PROVIDED**CROP PROTECTANTS¹²**

Alabama		136.69	47.76
Arkansas		370.47	133.46
California		56.13	41.48
Colorado		42.29	29.52
Florida		66.61	23.21
Georgia		134.07	38.16
Idaho		53.93	12.79
Illinois		1,201.41	849.72
Indiana		385.64	259.57
Iowa		2,206.59	1,612.63
Kansas		374.65	271.78
Kentucky		94.76	77.50
Louisiana		166.09	61.36
Maryland		19.01	14.16
Massachusetts		1.09	0.26
Michigan		57.23	31.48
Minnesota		807.35	517.89
Mississippi		221.36	51.91
Missouri		267.78	198.74
Montana		360.57	164.28
Nebraska		767.52	507.85
New York		58.61	21.16
North Dakota		494.05	336.54
Ohio		276.41	180.78
Oklahoma		62.19	39.84
Oregon		476.61	285.82
Pennsylvania		143.28	82.31

FEED¹²

Alabama		90.00	53.01
Arkansas		66.42	59.80
California		624.69	463.67
Colorado		141.14	119.29
Florida		150.32	118.99
Georgia		92.41	69.94
Idaho		735.59	524.63
Illinois		670.89	531.82
Indiana		312.08	260.00
Iowa		2,886.45	2,499.46
Kansas		366.97	296.90
Kentucky		120.65	100.07
Louisiana		126.67	95.88
Maryland		82.21	67.90
Massachusetts		8.50	7.32
Michigan		234.71	188.17
Minnesota		1,933.89	1,597.34
Mississippi		239.89	192.86
Missouri		464.23	359.87
Montana		104.11	23.23
Nebraska		562.58	426.71
New York		127.71	104.22
North Dakota		217.29	165.25
Ohio		427.36	377.47
Oklahoma		214.51	147.33
Oregon		292.10	172.05
Pennsylvania		188.76	144.87
South Dakota		523.85	342.61
Tennessee		336.43	314.60
Texas		758.81	575.48
Utah		169.17	161.00
Virginia		245.59	222.36
Washington		252.30	128.17

¹² Headquartered in State and membership values are not collected for individual supply products; rather, they are collected for total supplies.

Continued next page

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
FEED (continued)					PETROLEUM^{12, 13}				
West Virginia			373.45	267.43	Alabama			11.86	11.86
Wisconsin			652.95	557.58	Arkansas			208.98	198.34
Wyoming			15.80	13.61	California			4.34	4.34
Other States			970.76	695.15	Colorado			1,054.58	556.77
Foreign ⁷			401.82	271.47	Florida			6.61	4.09
United States			16,183.07	12,717.49	Georgia			730.86	238.80
FERTILIZER¹²					Idaho			863.95	412.87
Alabama			109.67	105.21	Illinois			3,880.49	2,643.47
Arkansas			142.45	132.91	Indiana			2,755.66	1,339.56
California			228.56	228.56	Iowa			2,589.35	1,878.58
Colorado			98.19	88.35	Kansas			2,287.87	1,501.21
Florida			78.05	46.95	Kentucky			252.57	148.48
Georgia			92.20	76.49	Louisiana			15.96	15.46
Idaho			1.11	1.11	Maryland			163.65	124.46
Illinois			1,893.43	1,380.10	Massachusetts			0.06	0.06
Indiana			710.58	659.96	Michigan			1,004.73	445.00
Iowa			3,334.32	2,458.74	Minnesota			2,208.82	1,747.64
Kansas			660.78	654.50	Mississippi			19.14	14.96
Kentucky			264.77	223.74	Missouri			2,615.31	1,873.45
Louisiana			35.65	29.74	Montana			1,226.65	882.66
Maryland			47.98	41.23	Nebraska			2,141.23	1,466.25
Massachusetts			18.05	7.97	New York			3.88	2.37
Michigan			122.86	117.82	North Dakota			2,237.86	1,760.09
Minnesota			1,418.32	1,199.23	Ohio			723.39	524.69
Mississippi			35.18	34.98	Oklahoma			1,575.28	810.58
Missouri			771.26	589.74	Oregon			975.81	614.94
Montana			493.22	282.85	Pennsylvania			14.97	11.13
Nebraska			1,385.74	1,161.24	South Dakota			1,356.38	837.11
New York			59.75	27.66	Tennessee			971.18	496.29
North Dakota			608.92	603.26	Texas			361.42	321.44
Ohio			711.26	609.45	Utah			685.73	214.34
Oklahoma			160.54	141.61	Virginia			1,176.38	577.99
Oregon			630.03	419.67	Washington			958.40	637.64
Pennsylvania			116.58	62.40	West Virginia			31.04	25.59
South Dakota			875.76	661.72	Wisconsin			1,832.59	1,300.80
Tennessee			362.26	358.16	Wyoming			803.71	467.62
Texas			134.60	133.13	Other States			94.34	80.86
Utah			42.83	42.80	Foreign ⁷			678.69	205.29
Virginia			184.65	158.08	United States			38,523.72	24,397.08
Washington			650.74	439.74	SEED¹²				
West Virginia			15.09	12.72	Alabama			46.10	32.11
Wisconsin			880.52	611.41	Arkansas			66.15	43.64
Wyoming			10.38	10.38	California			27.29	15.38
Other States			268.19	201.49	Colorado			26.75	11.59
Foreign ⁷			2.00	0.90	Florida			4.86	3.22
United States			17,656.49	14,016.01					

¹³ Includes all types of petroleum products and lubricants as well as bioenergy fuels such as ethanol and biodiesel.

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
SEED (continued)					OTHER SUPPLIES (continued)				
Georgia			25.95	17.56	Iowa			453.81	367.67
Idaho			25.42	15.58	Kansas			145.95	116.12
Illinois			763.46	455.54	Kentucky			123.06	87.60
Indiana			258.05	135.79	Louisiana			42.45	25.74
Iowa			779.41	416.27	Maryland			31.93	27.33
Kansas			210.88	115.75	Massachusetts			7.97	7.76
Kentucky			68.14	50.94	Michigan			118.98	95.73
Louisiana			33.56	20.79	Minnesota			470.32	411.51
Maryland			13.79	10.48	Mississippi			66.93	49.94
Massachusetts			2.53	2.39	Missouri			137.50	91.65
Michigan			35.31	17.71	Montana			119.23	108.68
Minnesota			666.21	377.61	Nebraska			188.17	160.75
Mississippi			47.88	25.71	New York			151.95	140.37
Missouri			164.65	115.82	North Dakota			551.37	514.47
Montana			43.30	39.06	Ohio			118.90	85.51
Nebraska			296.68	192.36	Oklahoma			71.65	54.74
New York			15.58	2.93	Oregon			307.23	298.91
North Dakota			351.73	197.13	Pennsylvania			30.35	22.16
Ohio			236.06	140.65	South Dakota			194.67	175.08
Oklahoma			17.71	14.11	Tennessee			286.84	259.19
Oregon			56.79	53.90	Texas			144.84	121.91
Pennsylvania			10.19	5.80	Utah			127.45	104.07
South Dakota			432.15	244.09	Virginia			226.44	196.80
Tennessee			187.93	147.90	Washington			286.52	233.39
Texas			69.36	47.72	West Virginia			30.52	26.86
Utah			7.32	5.22	Wisconsin			485.17	449.25
Virginia			48.04	41.58	Wyoming			65.98	61.86
Washington			92.26	87.77	Other States			261.38	181.14
West Virginia			6.40	5.15	Foreign ⁷			29.61	16.65
Wisconsin			339.97	202.47	United States			6,441.72	5,355.54
Wyoming			3.36	1.90					
Other States			60.89	43.57					
United States			5,542.11	3,357.18					
OTHER SUPPLIES^{12, 14}					SUPPLY				
Alabama			58.89	52.18	Alabama	38	25.2	453.22	302.14
Arkansas			100.30	67.87	Arkansas	21	24.7	954.76	636.02
California			258.35	242.35	California	14	13.7	1,199.37	995.78
Colorado			92.38	77.28	Colorado	13	14.8	1,455.32	882.79
Florida			71.11	44.44	Florida	6	9.4	377.56	240.90
Georgia			79.85	37.85	Georgia	5	10.9	1,155.34	478.81
Idaho			74.53	50.68	Idaho	6	8.2	1,754.52	1,017.66
Illinois			313.31	209.17	Illinois	36	61.7	8,722.99	6,069.82
Indiana			115.83	80.90	Indiana	22	35.7	4,537.83	2,735.79
					Iowa	28	38.2	12,249.93	9,233.35
					Kansas	31	26.0	4,047.10	2,956.26
					Kentucky	19	156.5	923.95	688.34
					Louisiana	18	5.3	420.39	248.96
					Maryland	9	34.9	358.56	285.56
					Massachusetts	3	3.0	38.21	25.76

¹⁴ Includes building materials, containers and packaging supplies, machinery and equipment, meats and groceries, automotive supplies, hardware, chicks, and other supplies not separately classified.

Continued next page

Table 3: Number¹ of cooperatives, memberships,² and gross and net sales by State, 2013³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number	Thousands	\$Millions			Number	Thousands	\$Millions	
SUPPLY (continued)					TOTAL (continued)				
Michigan	17	30.4	1,573.82	895.90	Colorado	27	20.5	2,320.06	1,747.48
Minnesota	96	83.3	7,504.91	5,851.22	Connecticut	6	0.4	565.37	558.22
Mississippi	29	28.5	630.38	370.37	Delaware	3	8.4	190.13	145.27
Missouri	38	79.3	4,420.74	3,229.27	Florida	30	19.6	2,209.13	1,460.73
Montana	24	18.4	2,347.07	1,500.75	Georgia	14	13.4	1,718.20	999.78
Nebraska	19	17.0	5,341.94	3,915.17	Hawaii	13	0.6	27.46	23.12
New York	5	1.4	417.50	298.71	Idaho	23	12.1	3,396.48	1,827.38
North Dakota	75	54.4	4,461.22	3,576.74	Illinois	109	113.9	17,288.09	14,633.73
Ohio	9	11.9	2,493.38	1,918.55	Indiana	33	42.1	6,689.70	4,856.26
Oklahoma	20	16.0	2,101.89	1,208.21	Iowa	93	105.1	27,638.30	24,363.59
Oregon	11	24.4	2,738.57	1,845.28	Kansas	89	95.6	9,935.74	8,807.58
Pennsylvania	6	4.4	504.13	328.67	Kentucky	26	169.4	1,508.75	1,259.35
South Dakota	34	39.4	3,989.15	2,619.24	Louisiana	34	10.6	2,294.78	2,108.61
Tennessee	58	64.3	2,333.19	1,747.78	Maine	22	5.4	225.46	220.22
Texas	29	28.3	1,613.64	1,299.49	Maryland	14	36.1	835.22	677.64
Utah	6	8.6	1,052.09	543.78	Massachusetts	8	3.9	512.87	290.00
Virginia	34	120.5	1,920.65	1,229.77	Michigan	43	39.4	4,976.30	4,109.60
Washington	19	14.3	2,865.15	1,933.72	Minnesota	194	133.1	31,269.25	27,679.86
West Virginia	9	60.6	458.70	339.65	Mississippi	51	49.0	1,858.15	1,592.17
Wisconsin	49	67.2	4,727.12	3,393.60	Missouri	60	96.8	10,589.82	8,874.36
Wyoming	4	3.4	902.20	557.11	Montana	44	20.1	3,628.50	2,781.25
Other States	11	34.6	1,774.54	1,279.95	Nebraska	51	69.7	13,492.86	12,058.13
Foreign ⁷	0	0.0	1,112.12	494.30	New Jersey	11	1.7	392.64	255.53
United States	871	1,278.7	95,933.14	67,175.16	New Mexico	9	0.9	954.04	521.26
SERVICE AND ALL OTHER INCOME¹⁵					New York	55	5.7	3,672.25	3,194.39
California	23	0.8	369.83	369.83	North Carolina	12	22.1	1,035.63	902.59
Minnesota	4	0.0	940.06	940.06	North Dakota	146	80.3	11,960.96	11,063.78
Mississippi	4	14.1	51.55	51.55	Ohio	41	39.8	6,388.95	5,763.62
North Carolina	3	0.1	5.66	5.66	Oklahoma	53	38.8	2,993.74	2,065.64
Pennsylvania	9	0.2	6.06	6.06	Oregon	32	31.7	6,252.64	5,273.46
Texas	8	0.2	308.93	308.93	Pennsylvania	36	8.1	2,554.44	2,188.20
Wisconsin	9	0.2	219.40	219.40	South Carolina	3	2.8	250.25	210.69
Other States	60	1.6	3,670.47	3,670.47	South Dakota	71	67.3	9,948.35	8,564.88
United States	120	17.1	5,571.97	5,571.97	Tennessee	61	71.8	2,618.80	1,987.61
TOTAL					Texas	181	72.9	6,863.53	5,944.27
Alabama	48	27.9	976.85	825.78	Utah	12	11.2	1,329.04	788.18
Alaska	5	3.0	319.96	217.41	Vermont	3	1.1	689.86	677.35
Arizona	9	1.8	1,143.65	1,022.27	Virginia	53	124.3	2,589.08	1,839.96
Arkansas	32	37.2	3,198.44	2,821.48	Washington	60	26.5	7,508.33	6,550.14
California	112	34.4	12,566.25	11,430.59	West Virginia	14	61.6	479.39	357.93
					Wisconsin	125	133.3	13,255.21	11,231.16
					Wyoming	10	4.3	1,011.59	666.49
					Other States	5	0.7	407.99	303.17
					Foreign ⁷	0	0.4	1,576.40	815.29
					United States	2,186	1,976.7	246,108.89	208,557.46

¹⁵ Includes cooperatives providing services such as livestock shipping, storing, grinding, and drying. Sales include charges for services related to marketing or purchasing, but not included in the volume reported for those activities, plus other income.

Cooperatives are added to the list every year, usually based on press releases from the cooperative or news items, but this probably leads to under-counting. Some cooperatives had been dropped from the list earlier but were added back when USDA was informed that they were still in operation. Most drops occur when two or more cooperatives merge their operations. It is much easier to drop a cooperative from the list than to add one, because undelivered mail is usually returned. If a new address is not found, the cooperative is dropped.

Cooperative numbers based on function (marketing, supply, or service) and State are shown in table 2. Texas had the most marketing cooperatives with 144, while Minnesota was second with 94. Minnesota had the most supply and service cooperatives with 100, followed by North Dakota with 77.

Many cooperatives operate branches to better serve their members. Most branches are owned by the cooperative, but some are leased. A number of the branches are formerly independent cooperatives that served a local community. For economic or other reasons, many were acquired by, or merged with, other cooperatives and are operated as branches that serve members and patrons at outlying locations.

Table 4: Cooperatives' number of full-time employees, 2013-2009

Commodity	2013	2012	2011	2010	2009
	<i>Thousands</i>				
Bean & pea (dry edible)	0.2	0.2	0.2	0.2	0.2
Cotton	4.4	2.3	2.2	1.8	1.4
Cotton ginning	1.1	1.1	1.1	1.1	1.1
Dairy	21.0	21.0	20.7	18.9	24.9
Fish	0.7	0.7	0.7	0.7	0.7
Fruit and vegetable	14.2	13.2	13.5	13.3	13.6
Grain and oilseed	23.5	21.6	24.9	22.4	20.4
Livestock	0.5	0.6	0.6	0.6	0.7
Nut	1.3	1.1	1.1	0.3	0.3
Poultry	1.7	1.7	2.0	2.0	1.7
Rice	2.5	2.3	2.5	2.4	2.5
Sugar	6.9	5.9	5.7	5.5	5.7
Other marketing	0.5	0.6	0.7	0.7	1.9
Total marketing	78.4	72.3	75.7	70.1	75.2
Total supplies	56.6	56.0	53.8	57.6	46.1
Total services	1.2	1.2	1.3	1.3	1.3
Total	136.2	129.4	130.8	129.0	122.5

Figure 3: Cooperative Memberships by Function, 2004-2013

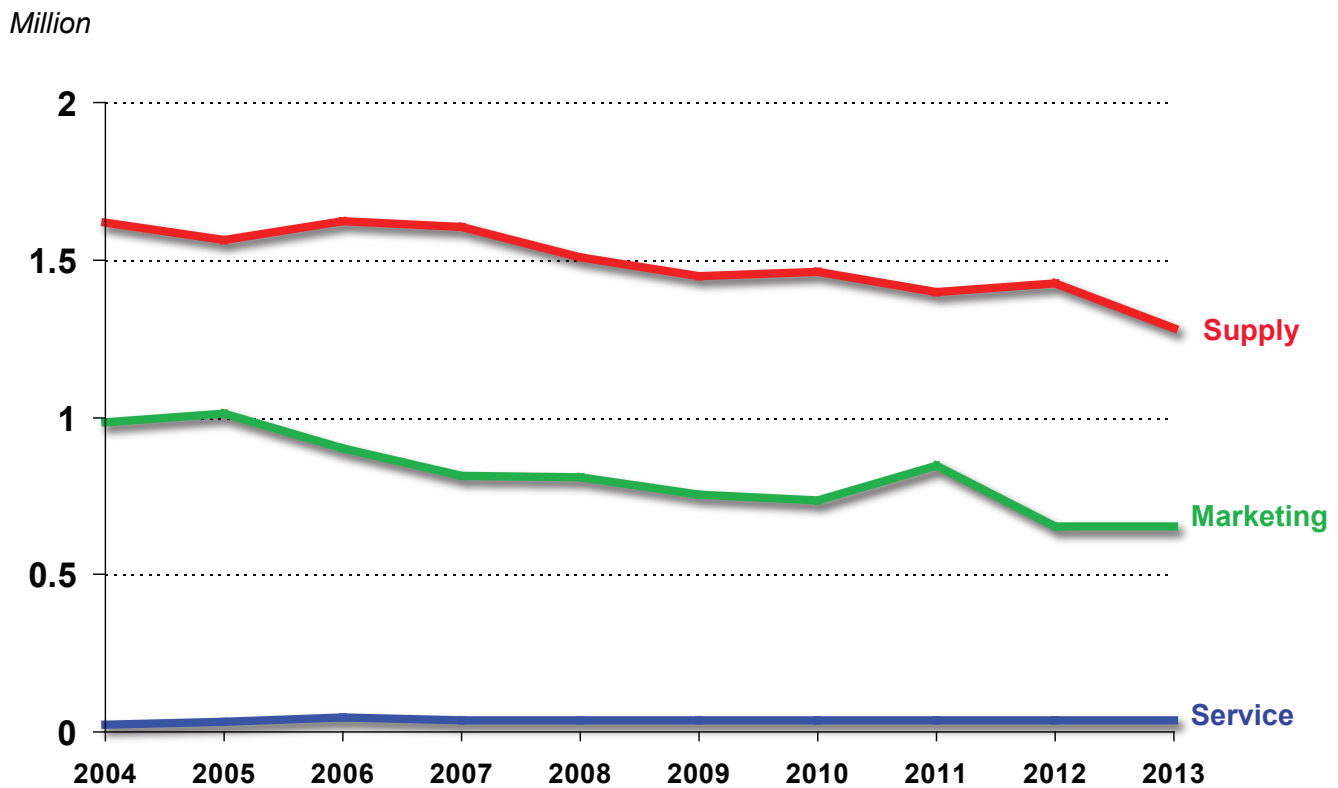


Table 5: Full-time and part-time and seasonal employees of cooperatives, by cooperative type, 2013-2012¹

Principal product(s) marketed or major function	Total employees		Full-time		Part-time & seasonal	
	2013	2012	2013	2012	2013	2012
Products marketed	<i>Thousands</i>					
Bean & pea (dry edible)	0.2	0.2	0.2	0.2	0.0	0.0
Cotton	4.6	2.5	4.4	2.3	0.2	0.2
Cotton ginning	3.5	3.6	1.1	1.1	2.4	2.5
Dairy	22.0	22.0	21.0	21.0	1.1	1.0
Fish	0.9	0.9	0.7	0.7	0.2	0.2
Fruit and vegetable	30.5	29.3	14.2	13.2	16.3	16.1
Grain and oilseed	33.2	32.3	23.5	21.6	9.7	10.7
Livestock and poultry	3.3	3.7	2.3	2.3	1.1	1.4
Rice	2.7	2.6	2.5	2.3	0.2	0.3
Sugar	11.8	11.1	6.9	5.9	4.9	5.2
Other marketing ²	2.7	2.8	1.8	1.7	0.9	1.1
Total marketing	115.5	111.1	78.4	72.3	37.1	38.8
Total supplies	73.6	72.6	56.6	56.0	17.0	16.6
Total services	2.0	2.0	1.2	1.2	0.8	0.8
Total	191.1	185.6	136.2	129.4	54.9	56.2

¹ Totals may not add due to rounding.

² Includes nut, bioenergy, tobacco, wool, and other product marketing cooperatives.

Grain and oilseed and supply cooperatives operated over 5,000 branches—2,267 and 2,797 respectively. Grain and oilseed cooperatives averaged almost 5 branches per cooperative while supply cooperatives averaged about 3.

Memberships

Memberships in marketing, supply, and service cooperatives were an estimated 2 million in 2013, down 140,000 from 2012 (table 3). There were membership increases in 2011, but generally memberships have been declining, as has the number of U.S. farms. About 65 percent of the memberships were in supply cooperatives, while 20 percent of the memberships were in grain and oilseed cooperatives (appendix table 2, figure 2). Dairy cooperative memberships were only 2 percent of the total, but dairy cooperatives accounted for 19 percent, or \$40 billion, of cooperatives' net business volume in 2013.

Memberships in cooperatives dropped from 2.6 million in 2004 to 2.0 million in 2013 (figure 3). The long term decline largely reflects the decreasing number of farms, farmers, and ranchers in the United States (appendix figure 2). Many farmers and ranchers are members of more than one cooperative, and each membership is counted. Consequently, the number of memberships has long exceeded the number of farms, but now they are slightly less. Duplication in membership cannot be eliminated with current reporting methods.

Member classification depends on the type of cooperative used and may not be related to the member's product(s) marketed or supplies purchased. For example, a member may market only

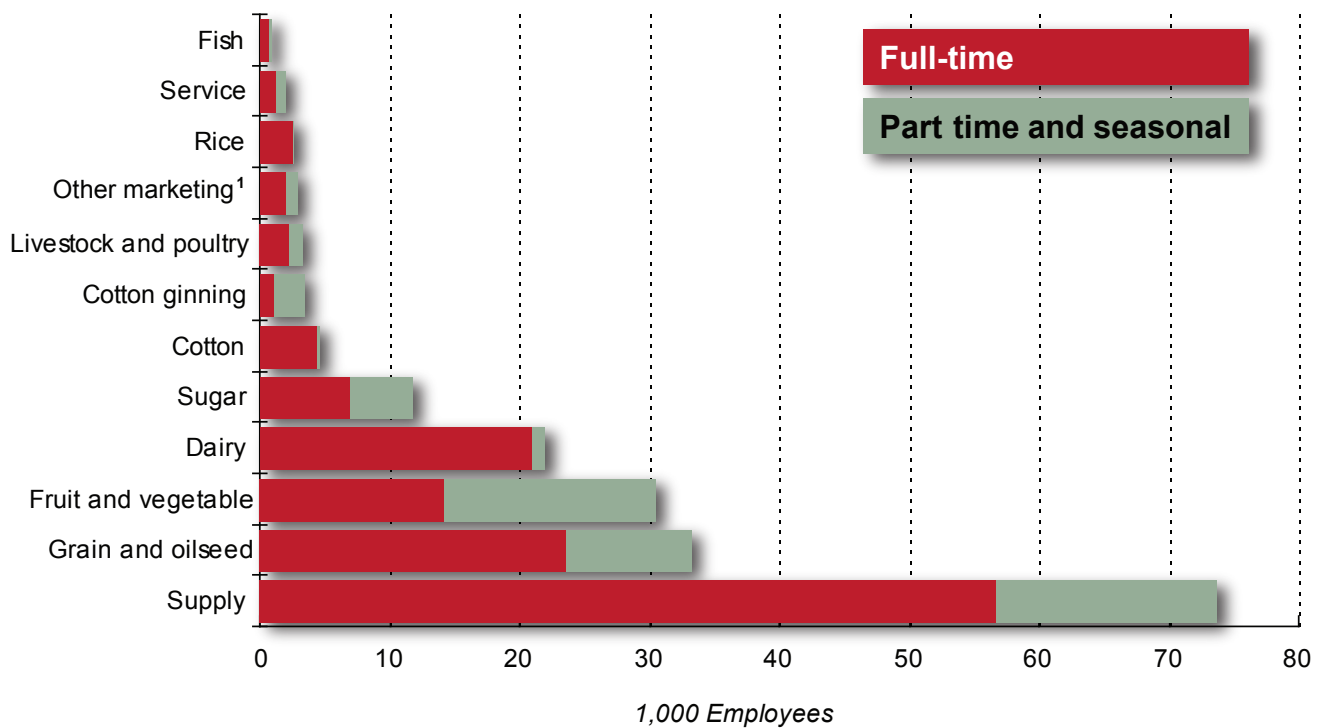
one of the products handled by the cooperative; another may use a cooperative classified in the marketing group to purchase one or more supply items. Therefore, a member's business with a cooperative may not be in the group that represents the cooperative's major business volume (the criterion for classifying cooperatives in this report). The membership, however, will be included arbitrarily in that classification.

During the past decade, membership in marketing and supply cooperatives both declined about 330,000. Service cooperatives increased memberships by about 15,000 during the same time period.

Employees

Cooperatives had an estimated 136,000 full-time employees in 2013, an increase of about 7,000 from 2012 (table 4). With sales increasing over the last 3 years, it appears that some cooperatives have added employees. Cotton and grain and oilseed coopera-

Figure 4: Full-Time and Part-Time and Seasonal Employees, by Cooperative Type, 2013



¹ Includes dry bean and pea, nut, bioenergy, tobacco, wool and mohair, and other product marketing cooperatives.

tives both added about 2,000 full-time employees, and sugar and fruit and vegetable cooperatives both added about 1,000.

In 2013, cooperatives employed an estimated 191,000 full-time and part-time and seasonal employees (table 5), about 5,000 more employees than in 2012. Among marketing cooperatives, grain and oilseed had the most employees (33,200), followed by those co-ops that primarily handle fruits and vegetables (30,500) and dairy (22,000).

By type, marketing cooperatives had 115,500 full-time and part-time and seasonal employees (60 percent of total); supply cooperatives had 73,600 (39 percent); and service cooperatives had 2,000 (1 percent).

Figure 4 shows the number of full-time and part-time and seasonal employees by type of cooperative for 2013. Supply, grain and oilseed, fruit and vegetable, and dairy cooperatives used the most employees; fish cooperatives had the fewest. Dairy, rice, cotton, and dry bean and pea cooperatives had

the smallest proportion of part-time and seasonal employees to total employees. Cotton ginning and fruit and vegetable cooperatives had more than half of their employees as part-time and seasonal employees, while about 42 percent of sugar cooperatives employees were part-time and seasonal.

Cooperatives used 55,000 part-time and seasonal employees in 2013, down around 1,400, or 2 percent, from 2012. Grain and oilseed cooperatives decreased their use of part-time and seasonal employees in 2013 by more than 1,000.

In 2013, marketing cooperatives reported having 37,000 part-time and seasonal employees, or 68 percent of the total across all categories. Marketing cooperatives averaged 31 part-time and seasonal employees per operation. Fruit and vegetable cooperatives, with 16,300, accounted for about 30 percent of all part-time and seasonal employees used by cooperatives. Supply cooperatives had 17,000 part-time and seasonal employees, an average of 20 per cooperative.

Table 6: Cooperatives and memberships, by gross business volume, 2013¹

Cooperatives Sales volume group (million \$)	Dollar volume		Memberships ²		Number (1,000)	Percent of total
	Number	Percent of total	Gross ³ (billion \$)	Percent of total		
Less than 5.0	726	33.2	1.18	0.5	172	8.7
5 - 9.9	264	12.1	1.92	0.8	137	6.9
10 - 14.9	162	7.4	1.99	0.8	87	4.4
15 - 24.9	201	9.2	4.00	1.6	150	7.6
25 - 49.9	259	11.8	9.06	3.7	217	11.0
50 - 99.9	193	8.8	13.51	5.5	177	9.0
100 - 199.9	134	6.1	18.74	7.6	169	8.6
200 - 499.9	135	6.2	31.48	12.8	329	16.6
500 - 999.9	79	3.6	30.97	12.6	146	7.4
1,000 and more	33	1.5	133.26	54.1	392	19.8
Total⁴	2,186	100.0	246.11	100.0	1,977	100.0

¹ Business volume includes revenues from marketing plus the value of products bargained for or handled on a commission basis, supply sales, service receipts, and other income.

² Includes number of farmers, ranchers, and fishermen eligible to vote for directors. Does not include memberships held by other cooperatives, such as local cooperative memberships in regional cooperatives.

³ Includes inter-cooperative business volume.

⁴ Total may not add due to rounding

Most types of marketing cooperatives operated with more employees than did supply cooperatives. For example, sugar cooperatives averaged 437 employees; cotton, 385; rice, 225; and supply cooperatives, 86 (figure 5).

Business Size

As measured by annual gross business volume, most cooperatives are relatively small and serve local areas. Some actively seek regional, national, and even international markets to increase business volume. Although few in number, larger cooperatives account for much of cooperatives' business volume. They have grown in size partly from mergers, consolidations, and acquisitions. From 2004 to 2013, there were 859 fewer cooperatives with less than \$25 million in sales, while there were 181 cooperatives that moved up into the sales group of more than \$25 million in sales. The sales group of \$200 million to \$499.9 million had the most growth, increasing from 44 cooperatives in 2004 to 135 in 2013 (table 6).

In 2013, 53 percent of all cooperatives reported a business volume of less than \$15 million. However, they accounted for around 2 percent of the total gross dollar volume (figure 6). About 11 percent of cooperatives reported a business volume of at least \$200 million, but they accounted for almost 80 percent of the total sales.

Business Volume

Total gross business volume of the 2,186 marketing, supply, and service cooperatives for 2013 was \$246 billion (table 7),

up about \$8 billion from \$238 billion in 2012. Historically, gross business volume fell from a record \$128 billion in 1996 to \$112 billion in 2002. However, this has not been a steady decline. Some years saw increases to \$120 billion, while other years fell to \$115 billion or less (appendix table 3, appendix figure 4). The historical high in 1996 was almost matched in 2006, then was eclipsed in 2007 through 2013.

Grain and oilseed cooperatives had a gain of more than \$2.5 billion while dairy cooperatives had an increase of almost \$1.4 billion. Continued strong grain prices, higher dairy prices and strong energy prices were the main causes of grain, dairy, and supply sales increases. Petroleum products led the supply sales gain, with an increase of \$1.7 billion. Feed sales increased by \$1 billion, and crop protectants by almost \$500 million.

Total net business volume of cooperatives in 2013 was up almost \$3 billion from 2012 (net sales equal gross sales minus sales between cooperatives). The net volume for 2013 was \$209 billion, compared to \$203 billion in 2012. The net sales

Table 7: Cooperatives' gross and net business volumes by commodity, 2013 & 2012¹

Commodity	Gross volume		Net volume	
	2013	2012	2013	2012
Products marketed	<i>Billion \$</i>			
Bean & pea (dry edible)	.247	.176	.243	.172
Cotton	3.079	3.176	2.987	3.089
Dairy	42.729	41.378	40.184	39.739
Fish	.185	.189	.185	.189
Fruit & vegetable	8.157	8.014	5.890	5.751
Grain & oilseed ²	67.007	64.454	66.252	63.710
Livestock	3.345	4.020	3.345	4.020
Nut	1.337	1.105	1.334	1.103
Poultry ³	.727	1.454	.727	1.454
Rice	1.732	1.553	1.732	1.553
Sugar	8.706	8.533	6.030	5.996
Tobacco	.137	.120	.137	.120
Wool and mohair	.005	.005	.005	.005
Other marketing ⁴	7.211	6.681	6.759	6.273
Total marketing	144.604	140.859	135.810	133.175
Supplies purchased:				
Crop protectants	11.586	11.124	7.332	7.194
Feed	16.183	15.109	12.717	11.841
Fertilizer	17.656	17.758	14.016	14.186
Petroleum	38.524	36.804	24.397	23.357
Seed	5.542	5.595	3.357	3.266
Other supplies ⁵	6.442	5.810	5.356	4.869
Total supplies	95.933	92.199	67.175	64.712
Services and all other income ⁶	5.572	4.715	5.572	4.715
Total business	246.109	237.773	208.557	202.603

¹ Gross includes and net excludes inter-cooperative business. Totals may not add due to rounding.

² Excludes cottonseed. Cottonseed oil is included in other marketings whereas cottonseed meal is included in feed.

³ Includes eggs, turkeys, ratite, squab, and related products.

⁴ Includes cotton ginning, coffee, forest products, hay, hops, seed marketed for growers, nursery stock, ethanol, other farm products not separately classified, and sales of products not received directly from member patrons. Also includes manufactured food products and resale items marketed by cooperatives.

⁵ Includes artificial insemination, building materials, containers and packaging supplies, machinery and equipment, meats and groceries, automotive supplies, hardware, chicks, and other supplies not separately classified.

⁶ Includes trucking, storage, grinding, application, locker plants, and other related items. Services include charges related to marketing or purchasing, but not included in the volume reported for those activities, plus other income and extraordinary items.

breakdown was \$136 billion from products marketed, \$67 billion from supply sales, and \$6 billion from services performed and other income sources. The \$209 billion was the highest total ever (appendix table 4, appendix figure 5). There have been a number of fluctuations in net business volume during the past two decades. Net volume dropped to around \$100 billion in 1999 and stayed there until the current upward trend started in 2003, then soared, due to increased grain and oilseed prices and energy costs, from 2007 through 2013. Adjusted for inflation² (where 2011 = 100), net business volume was \$111 billion in 2005 and increased to \$172 billion in 2008, before falling to around \$136 billion in both 2009 and 2010. It then increased to \$187 billion in 2011 and \$209 billion in 2013 (figure 7).

There was no difference between actual and real net business volume in 2013 because the prices paid for production inputs index was 110 and was almost equal to the prices received for farm products index of 109.

Net volume of products marketed increased 2 percent from 2012. Net marketing business volume accounted for 65 percent of net cooperative sales in 2013, the same as 2012.

Figure 8 illustrates the leading products marketed by cooperatives based on net marketing business volume. Grain and oilseed led with 49 percent of sales, followed by dairy with 30 percent, and sugar and fruit and vegetable, both with 4 percent.

Net supply volume of \$67 billion was almost \$2.5 billion higher than 2012 and accounted for 32 percent of the total net business volume. The leading production goods handled by cooperatives in terms of supply net business volume were petroleum at 36 percent, fertilizer at 21 percent, and feed at 19 percent (Figure 9). Petroleum sales increased by more than \$1 billion, while feed sales grew by almost \$900 million.

Receipts for services provided by marketing, supply, and service cooperatives, plus other income, increased by almost \$900 million, to \$5.6 billion.

² Marketing sales were deflated by the index of producer prices received for "all farm products" (2011 = 100). Supply sales and service receipts and other income were deflated by the index of prices paid by farmers for "production items," excluding interest, taxes, and wages (2011 = 100).

Figure 5: Average Full-Time and Part-Time and Seasonal Employees, 2013

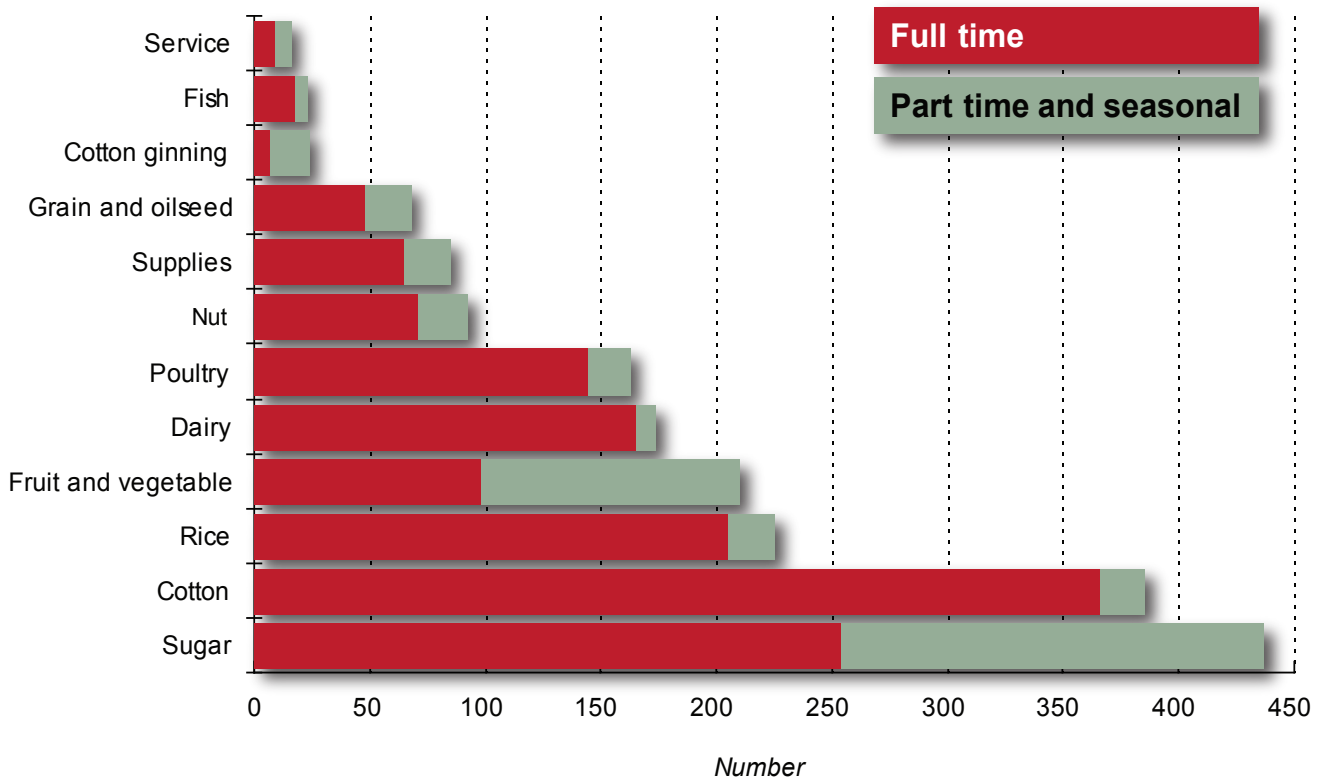


Figure 6: Distribution of Cooperatives and Volume, by Size, 2013

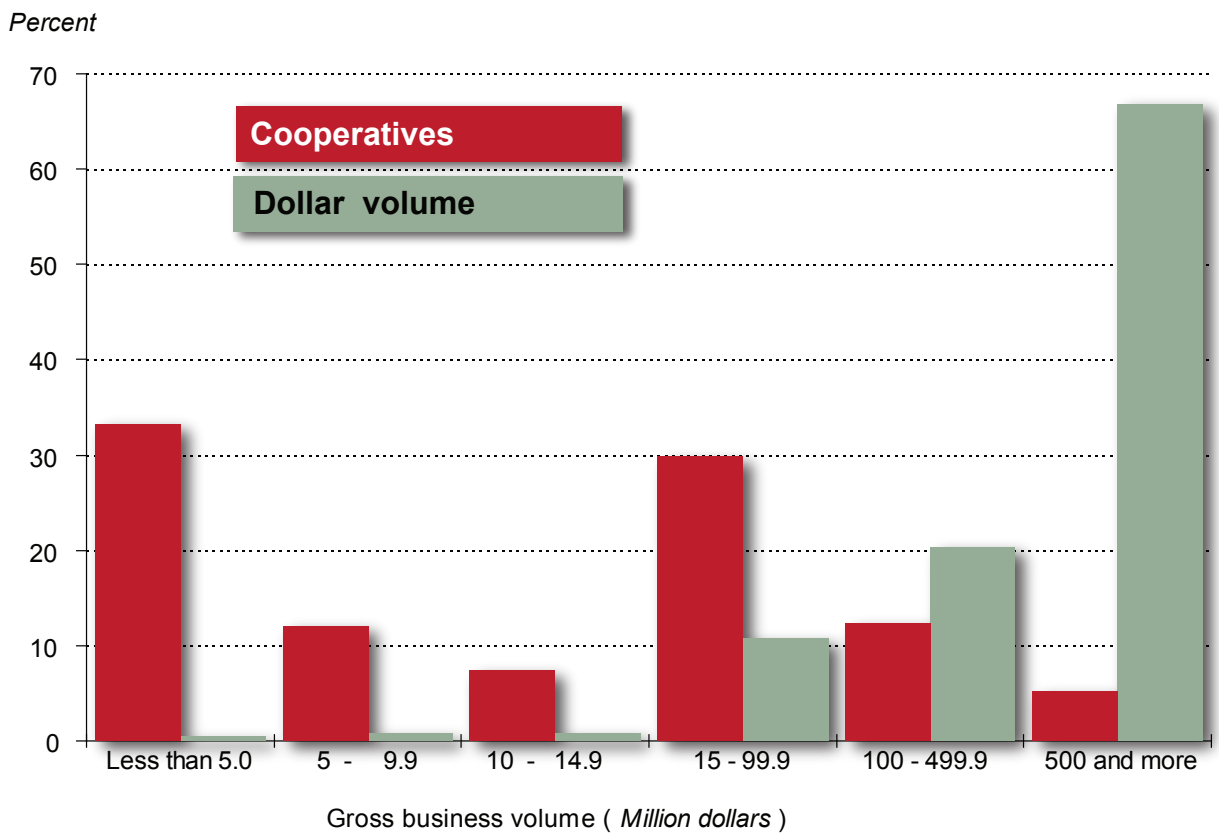
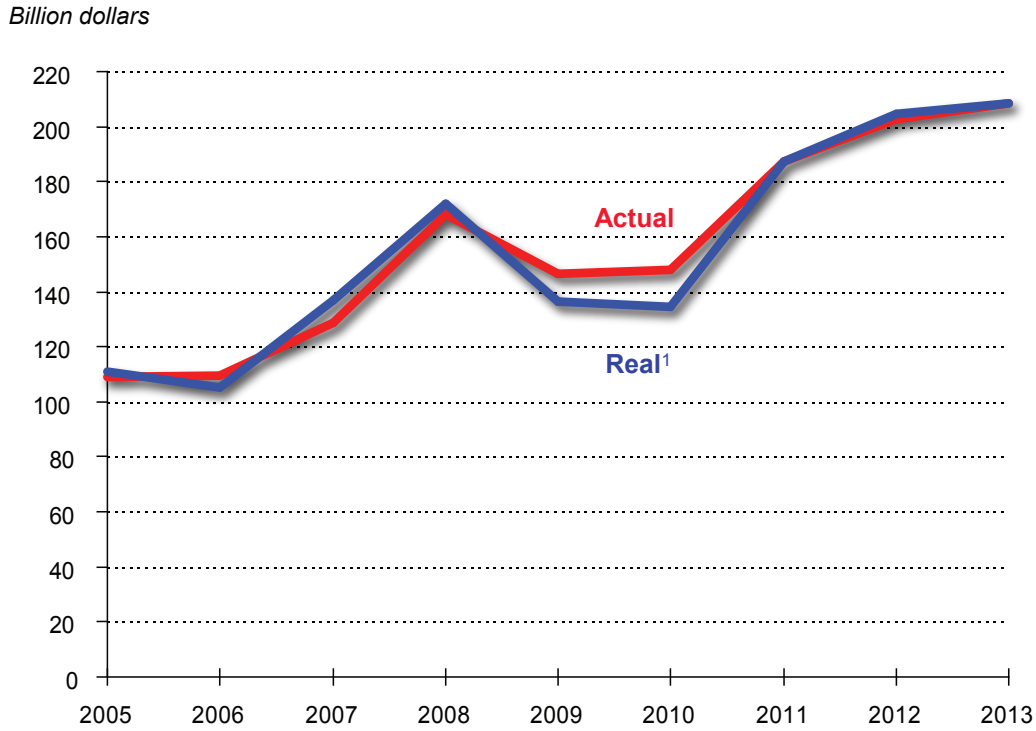
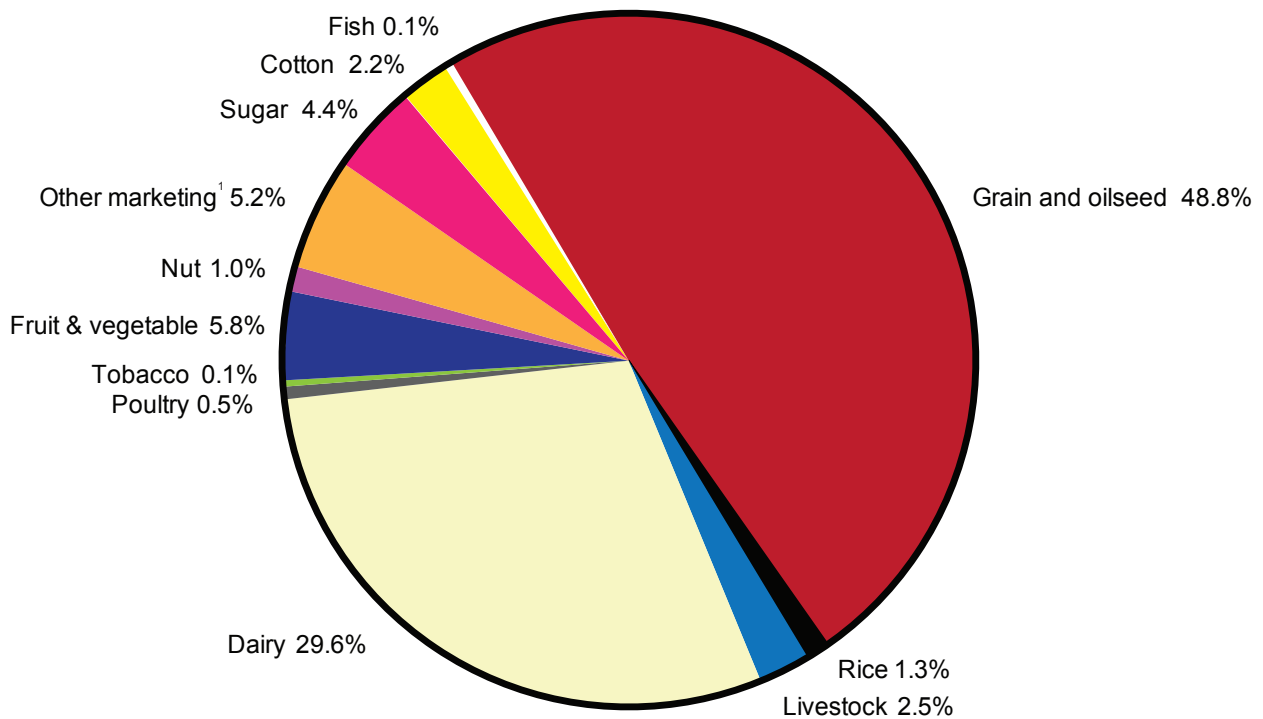


Figure 7: Cooperatives' Net Business Volume, Actual and Adjusted, 2005-2013



¹Actual sales were adjusted for price change based on 2011 = 100.

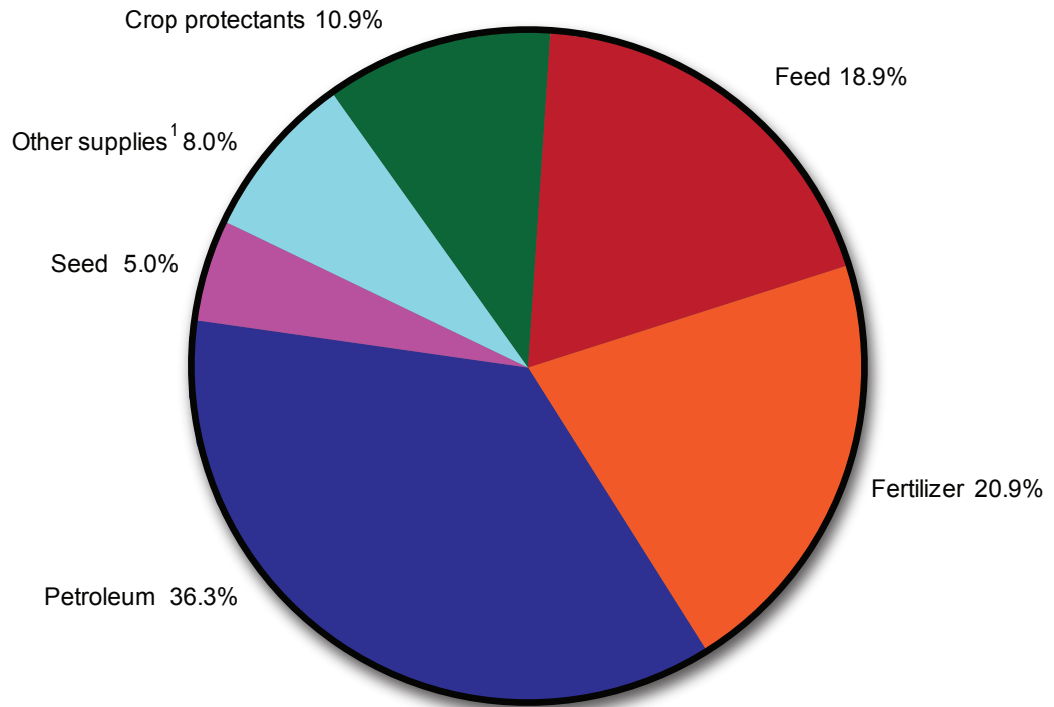
Figure 8: Relative Importance of Products Marketed by Cooperatives, 2013



Percentages are based on a total net marketing business volume of \$136 billion.

¹ Includes wool and mohair, dry beans and peas, bioenergy, and other product marketing.

Figure 9: Relative Importance of Supplies Handled by Cooperatives, 2013



Percentages are based on a total net supply business volume of \$67 billion.

¹Includes building materials, tires, batteries and accessories, equipment, animal health products, pet food, semen, hardware, fc and other.

Figure 10: Cooperatives' Net Sales of Selected Commodities, 2004-2013

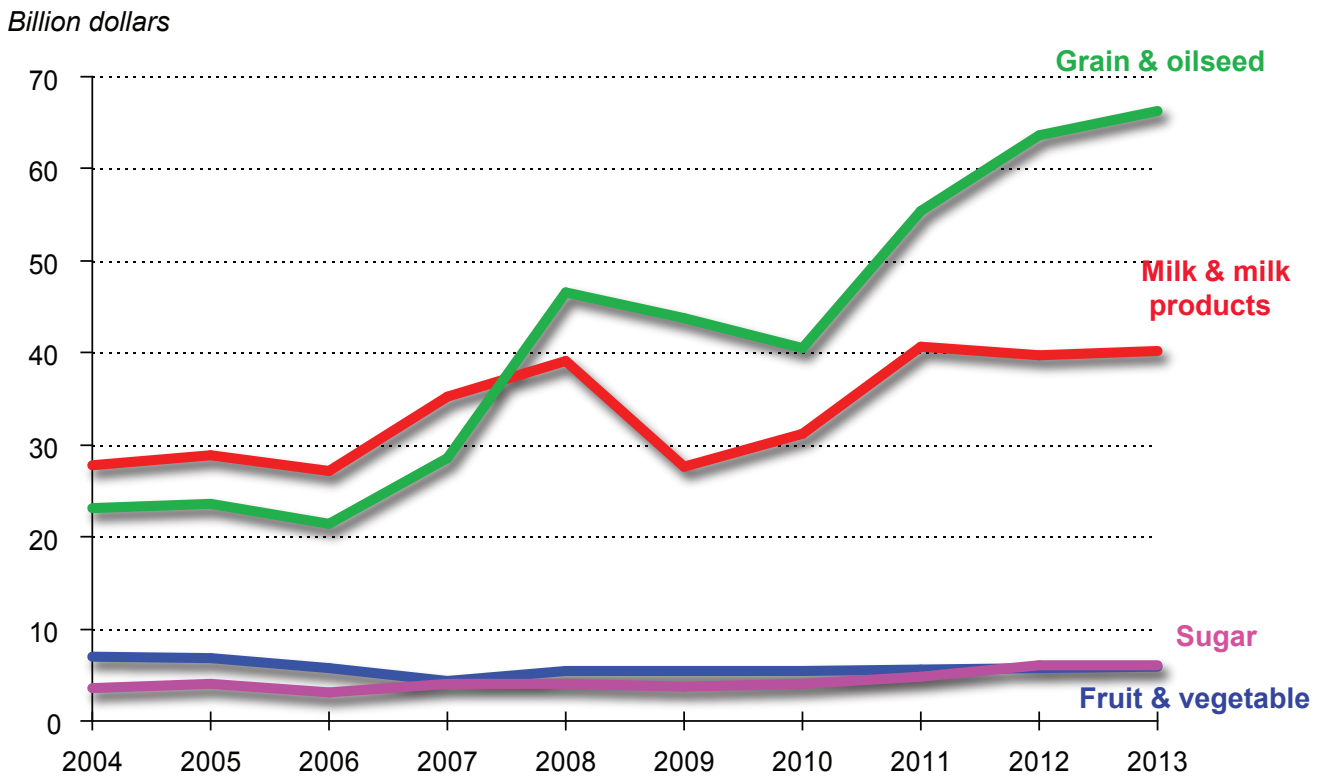


Table 8: Combined assets of cooperatives, 2013¹

Principal product(s) marketed and major function	Co-ops ²	Assets of own operations	Investments in other co-ops ³	Total assets	Investments in other co-ops as percent of total
Products marketed	No.	Billion \$		Percent	
Cotton	12	.961	.010	.971	1.1
Cotton ginning	148	.428	.071	.499	14.3
Dairy	127	8.741	.169	8.911	1.9
Fish	39	.082	.000	.082	0.0
Fruit & vegetable	145	4.959	.100	5.060	2.0
Grain & oilseed	490	17.635	1.660	19.295	8.6
Livestock & poultry	103	.736	.015	.751	2.0
Rice	12	.969	.015	.984	1.5
Sugar	27	4.059	.036	4.094	0.9
Other marketing ⁴	92	1.624	.024	1.648	1.4
Total marketing	1,195	40.194	2.101	42.295	5.0
Total supplies	871	36.750	3.102	39.852	7.8
Total services	120	.377	.034	.411	8.3
Total	2,186	77.322	5.236	82.558	6.3

¹ Totals may not add due to rounding.

² Many cooperatives have multi-product and multi-functional operations. Most are classified according to predominant commodity or function as indicated by business volume.

³ Also includes investments in CoBank.

⁴ Includes dry edible bean and pea, nuts, tobacco, wool, and other marketing.

Service receipts and other income represented almost 3 percent of total net business volume.

Marketing sales of four major commodity groups—grain and oilseed, dairy, fruit and vegetable, and sugar—were up from 81 percent of marketing sales in 2004 to 87 percent in 2013 (figure 10). Grain and oilseed sales increased by \$43 billion, mainly due to price increases. Dairy sales increased by \$12 billion, while sugar sales grew by over \$2 billion. Net volume among commodity groups was highest in 2013 for grain and oilseed at \$66 billion (compared to \$23 billion in 2004), followed by dairy with \$40 billion.

Feed and fertilizer are important farm inputs for supply cooperatives (figure 11), but petroleum was especially important in 2013, accounting for \$10 billion more in sales than either feed or fertilizer. The combination of petroleum, feed, and fertilizer sales accounted for 76 percent of cooperatives' total

supply sales in 2013 and 71 percent in 2004.

Gross and net business volumes by State are presented in table 3. Sales are allocated to the State in which the product marketed was originated and the supplies were sold. Minnesota led all States with more than \$31 billion in gross business volume and almost \$28 billion in net business volume. Iowa was second with almost \$28 billion in gross business volume and more than \$24 billion in net cooperative business volume.

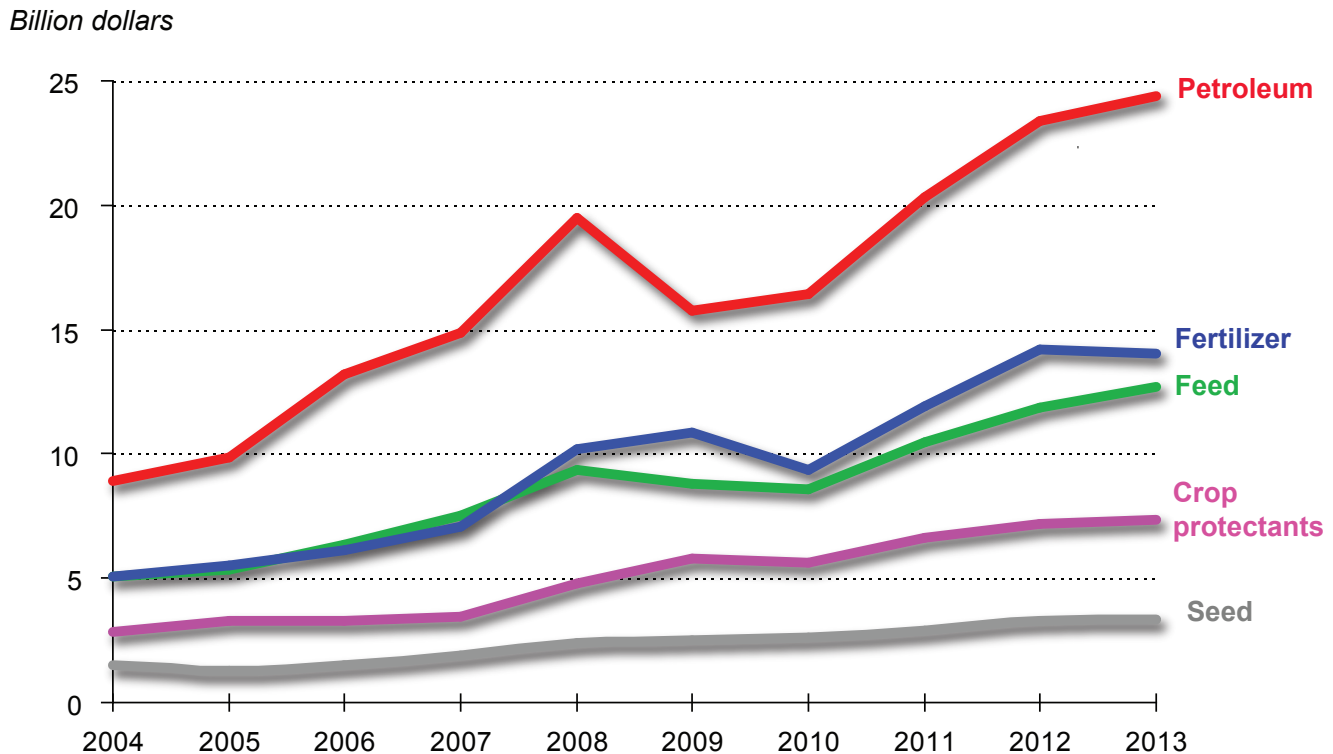
Balance Sheet

The balance sheet of a cooperative states its financial position at the end of a 12-month fiscal year. The balance sheet represents the cooperative's assets, liabilities, member equity, and their mutual relationships.

Combined assets for all cooperatives in 2013 were just short of the record \$83 billion in 2012—only about \$800 million lower in 2013, at almost \$83 billion (table 8). Total assets of cooperatives, excluding inter-cooperative investments, decreased by \$1.3 billion from 2012, to \$78 billion in 2013. Cooperatives' total assets grew from \$46 billion in 2004 to \$83 billion in 2013 (appendix table 5 and figure 12).

In 2004, 10 percent, or \$4.7 billion, of total assets was invested in other cooperatives, including CoBank. In 2013, these investments were \$5.2 billion, up \$500 million from 2004. This represented 6.3 percent of total assets, 4 points lower than a decade ago.

Of the \$83 billion in total assets, marketing cooperatives accounted for \$43 billion, about \$700 million more than in 2012. Grain and oilseed cooperatives had about \$19 billion in assets, more than double the assets of dairy cooperatives (\$8.9 billion) and almost four times the assets of fruit

Figure 11: Cooperatives' Net Sales of Selected Supplies, 2004-2013

and vegetable cooperatives (\$5.1 billion). All three of these types of marketing cooperatives have less combined assets than supply cooperatives (\$40 billion).

Table 9 compares common-size balance sheets for six sizes of cooperatives (for all types and sizes, see appendix table 6). Common-size balance sheets present all accounts as a percentage of total assets, allowing comparison between different sizes and types of cooperatives.

Current Assets

Current assets are generally comprised of cash and cash equivalents, accounts and notes (with short-term maturities) receivable, inventories, and prepaid expenses. Current assets were about 62 percent for all sizes of cooperatives, down from 63 percent in 2012. Smaller cooperatives—especially service, most sugar, bioenergy, and cotton ginning cooperatives—had smaller levels of current assets. Grain and oilseed, livestock, dry bean and pea, and larger cooperatives tended to have higher levels of current assets.

Investments and Other Assets

Investments were most often in other cooperatives and CoBank. “Other assets” is a catch-all category in this study and contains a wide variety of items. Investments ranged from 9 percent of all assets for small cooperatives up to 13 percent for cooperatives with sales of \$5 million to \$15 million. The largest cooperatives accounted for 4 percent of investments. Investments were larger for supply cooperatives than most marketing cooperatives.

All but the largest (intra-state) supply cooperatives generally purchase their inputs from (inter-state) regional supply cooperatives, hence the large investments in other cooperatives. Large dairy, smaller fresh fruit and vegetable, service (except fresh fruit and vegetable service), cotton, fish, poultry, nut, tobacco, rice, sugar, and most livestock cooperatives all had low investments levels—often less than 4 percent of all assets.

Property, Plant, and Equipment

Net property, plant, and equipment (net PP&E) are tangible assets used by a cooperative’s operations. PP&E averaged between 24 and 31 percent of total assets for all sizes of cooperatives. Biofuels, medi-

Table 9: Common size analysis by cooperative size, 2013

Cooperative sales size	All sizes	≥ \$500 million	From \$100 to \$500 million	From \$15 to \$100 million	From \$5 to \$15 million	< \$5 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	60.61	61.76	58.61	60.14	55.94	52.26
Other assets	8.70	10.03	8.41	3.16	7.14	7.43
Investments	6.24	3.73	8.78	12.26	13.11	9.26
PP&E ¹ (net)	24.44	24.48	24.20	24.44	23.81	31.05
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	41.95	42.22	42.15	42.22	36.01	30.41
Total liabilities	58.15	61.37	55.52	50.88	45.09	43.13
Allocated equity	26.08	26.57	21.67	28.42	36.87	41.62
Retained earnings	15.78	12.05	22.81	20.74	18.04	15.25
Total equity	41.86	38.63	44.48	49.16	54.91	56.87
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	91.49	92.09	90.96	89.60	86.03	85.21
Gross margin	8.51	7.91	9.04	10.40	13.97	14.79
Service and other income	1.47	0.88	1.87	3.29	6.51	15.69
Gross revenue	9.98	8.79	10.91	13.70	20.48	30.48
Expenses						
Wages	3.76	3.17	4.38	5.51	8.02	12.22
Depreciation	0.92	0.79	1.10	1.26	1.68	2.36
Interest	0.40	0.40	0.39	0.38	0.57	0.69
Other	3.16	2.66	3.53	4.78	7.50	13.29
Total expenses	8.24	7.02	9.40	11.93	17.78	28.57
Net operating margins	1.74	1.77	1.51	1.77	2.70	1.91
Patronage income	0.50	0.19	1.01	1.37	1.72	1.63
Non-operating income	0.32	0.27	0.42	0.43	0.42	0.11
Net income before taxes	2.56	2.23	2.94	3.57	4.84	4.31
Taxes	0.25	0.21	0.37	0.32	0.25	0.11
Net income	2.31	2.02	2.57	3.25	4.59	4.21
Ratios						
	<i>Percent or number</i>					
Current	1.45	1.46	1.39	1.42	1.55	1.72
Debt-to-asset	0.58	0.61	0.56	0.51	0.45	0.43
Debt-to-equity	1.39	1.59	1.25	1.03	0.82	0.76
Retained-earnings-to-equity	37.69	31.21	51.27	42.18	32.86	26.81
Equity-to-assets	41.86	38.63	44.48	49.16	54.91	56.87
Adjusted-equity-to-assets	72.10	66.85	76.89	85.08	85.82	81.72
Return-on-assets	8.61	8.51	8.51	9.20	9.58	7.10
Return-on-member-equity	25.76	24.64	30.29	26.64	22.01	14.34
Extra value index +2	9.51	9.42	9.15	10.67	10.23	6.24
Extra value index +5	7.34	7.41	6.84	8.12	7.65	3.79
Extra value index +10	3.74	4.07	3.00	3.87	3.36	-0.30

¹ Property, plant, and equipment

Table 10: Combined balance sheet data of cooperatives, 2013¹

Principal product(s) marketed and major function	Co-ops	Total assets	Total liabilities	Net worth
Products marketed	No.	Billion dollars		
Cotton	12	.97	.55	.42
Cotton ginning	148	.50	.21	.29
Dairy	127	8.91	6.01	2.90
Fish	39	.08	.05	.03
Fruit & vegetable	145	5.06	2.63	2.43
Grain & oilseed	490	19.30	11.60	7.69
Livestock & poultry	103	.75	.49	.26
Rice	12	.98	.40	.58
Sugar	27	4.09	2.12	1.97
Other marketing ²	92	1.65	.74	.90
Total marketing	1,195	42.30	24.80	17.49
Total supplies	871	39.85	22.97	16.88
Total services	120	.41	.15	.26
Total	2,186	82.56	47.92	34.64

¹ Totals may not add due to rounding.

² Includes dry edible bean and pea, nut, bioenergy, tobacco, wool, cottonseed, and other marketing.

um and large sugar, smaller cotton ginning, smaller fresh fruit and vegetable, small nut, small fish, and service (except dairy, cotton, and fresh fruit and vegetable) cooperatives all had PP&E of at least 40 percent of their assets.

Current Liabilities

Current liabilities are all obligations that will be paid with the use of current assets and are usually paid within 1 year. Current liabilities are comprised of notes payable to banks and/or other trade creditors, accounts payable, current maturities of long-term debt, income taxes, other accrued liabilities (payroll, property taxes, interest, and other), patronage dividends payable, and miscellaneous or other current liabilities. Current liabilities were at least 30 percent of total assets and grew to 42 percent for larger cooperatives. Product marketing cooperatives tended to have higher levels of current liabilities than supply and service cooperatives.

Table 11: Cooperatives' net income before taxes, 2013¹

Principal product(s) marketed and major function	Co-ops	Income before taxes	Net operating margins	Patronage income ²
Products marketed	No.	Million dollars		
Cotton	12	-83.3	-84.8	1.4
Cotton ginning	148	68.0	42.2	25.8
Dairy	127	312.7	277.3	35.4
Fish	39	9.7	9.7	.0
Fruit & vegetable	145	600.0	593.0	6.9
Grain & oilseed	490	1,188.7	787.2	401.5
Livestock & poultry	103	17.2	13.8	3.4
Rice	12	111.2	110.2	1.1
Sugar	27	239.3	237.6	1.7
Other marketing ³	92	116.3	113.7	2.6
Total marketing	1,195	2,579.8	2,100.0	479.8
Total supplies	871	3,529.1	2,785.6	743.6
Total services	120	43.2	42.2	1.0
Total	2,186	6,152.1	4,927.7	1,224.4

¹ Adjusted for losses and before taxes. Before-tax income is used in this table because historically, after-tax net income was not collected. Totals may not add due to rounding.

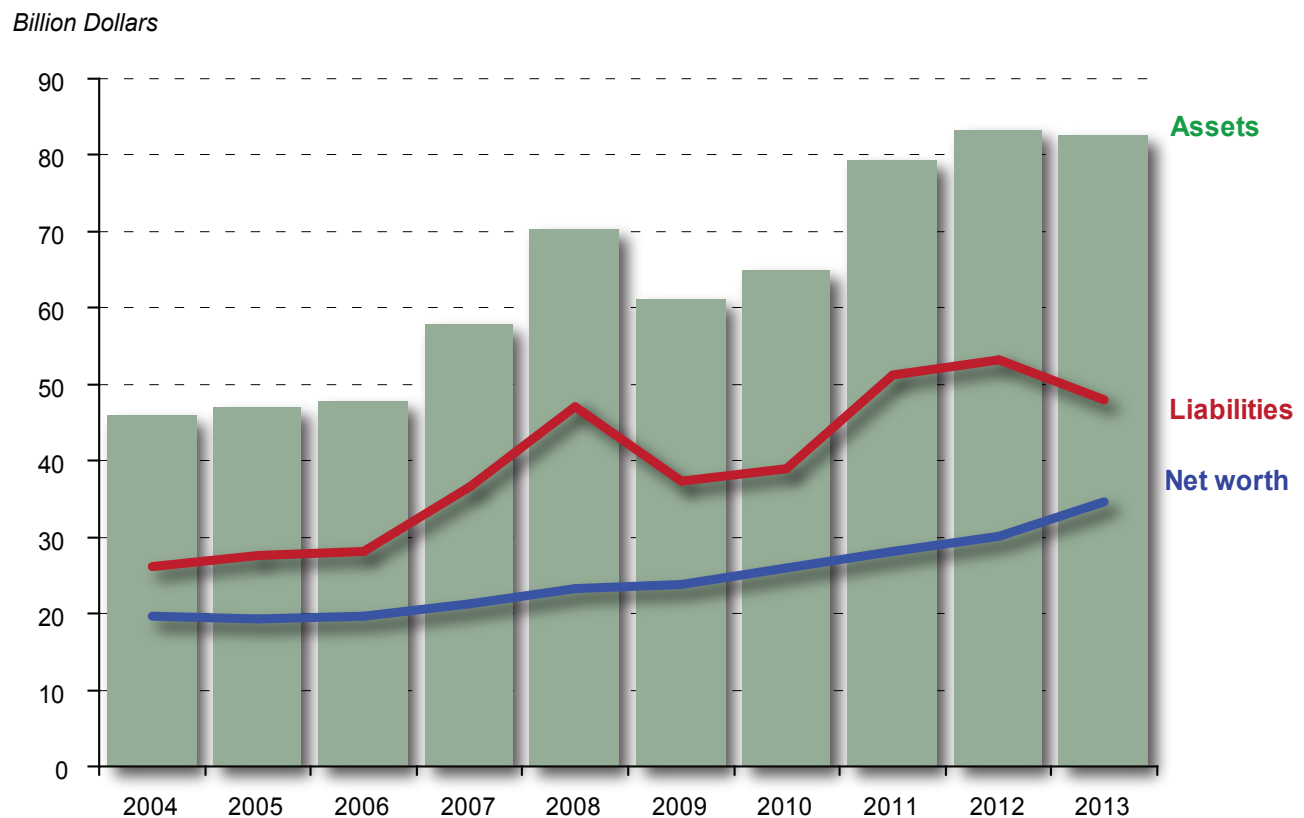
² Includes patronage refunds from CoBank.

³ Includes dry edible bean and pea, nut, bioenergy, tobacco, wool, cottonseed, and other marketing.

Total Liabilities

Total liabilities include current liabilities plus long-term liabilities, which are primarily long-term debt. In the aggregate, all types and sizes of cooperatives had some long-term debt. Smaller cooperatives all had at least 9 percent of their assets financed through long-term debt. Generally, the largest cooperatives used the most debt, financing 21 percent of their assets through borrowing. Nut, large dairy, large fruit and vegetable, small fish, storage, hulling, and farmer market cooperatives all financed about 20 percent or more of their assets with long-term debt.

Total liabilities were \$48 billion, down \$5 billion from 2012 (table 10). Cooperatives' total liabilities grew fairly steadily from \$26 billion in 2004 to \$53 billion in 2012. Total liabilities financed 58 percent

Figure 12: Cooperatives' Assets, Liabilities, and Net Worth, 2004-2013

of total assets in 2013, about 6 points lower than in 2012.

Allocated (or Member) Equities

Allocated (or member) equities represent member ownership of each cooperative. Comparing allocated equities to total assets determines the percent of the cooperative's assets owned by members. Allocated equity comprised just 26 percent of ownership of all sizes of cooperatives, up 3 points from 2012. The very largest cooperatives had the smallest percentages of both retained earnings and overall equity.

Net worth, or member and patron equity, was \$35 billion, up over \$4 billion from 2012. The proportion of total assets financed by member and patron equity was 42 percent, up 6 percentage points from 2012. Net worth for all marketing cooperatives was \$17 billion, up over \$2 billion from 2012. Marketing cooperatives accounted for 51 percent of cooperatives' combined net worth, up almost 2 points from 2012. Net worth for supply cooperatives also totaled \$17 billion, representing 49 percent of

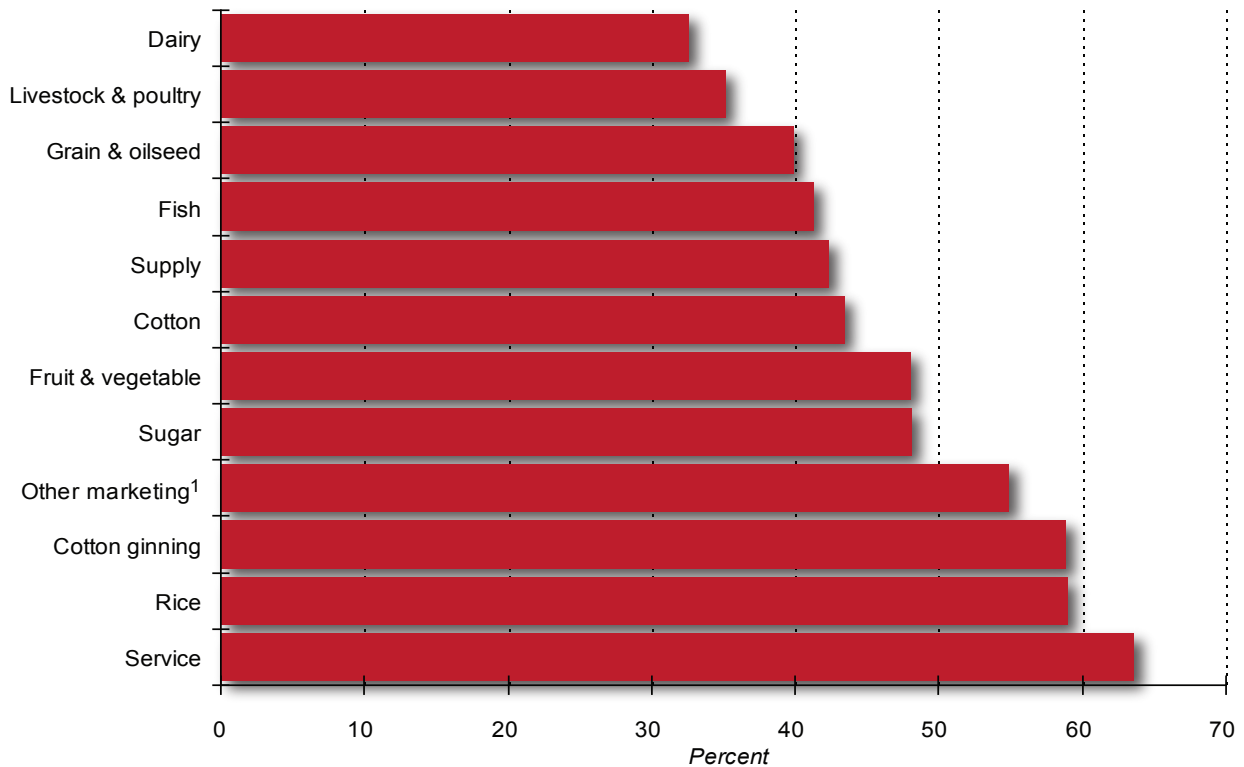
the total. For marketing cooperatives, the highest percentage of total assets represented by net worth (figure 13) was 64 percent, by service cooperatives. Dairy cooperatives ranked lowest at 33 percent.

Income Statement

The income statement shows the net results of a cooperative's operations. Because most managers' performance is judged by net income, members attach great importance to the income statement. Table 9 presents a common-size income statement for all cooperatives, based on six sizes. Each item in a common-size income statement is represented as a percentage of total sales or service. Common-size income statements by cooperative type and size are presented in appendix table 6.

Total (Net) Sales

Total (net) sales are all sales less discounts, returns, and allowances from gross sales. Service cooperatives do not have a total sales value: the first income statement item for these cooperatives is service.

Figure 13: Percentage of Assets Financed by Net Worth, by Cooperative Type, 2013

¹ Includes dry bean and pea, nut, bioenergy, tobacco, wool and mohair, and other product marketing cooperatives.

Cost of Goods Sold

Cost of goods sold (COGS) includes the beginning inventory plus purchases and freight costs, minus purchase returns and allowances, purchase discounts, and ending inventory. COGS, therefore, was the purchase price of the supplies sold or products marketed. For all sizes of cooperatives, COGS was 91 percent of net sales. COGS can be much lower for cooperatives that process products or provide technical services.

Artificial insemination cooperatives, processed and fresh fruit and vegetable cooperatives, smaller cotton ginning, larger fish, smaller nut, larger rice, and larger sugar cooperatives have a lower COGS. Grain and oilseed, livestock marketing, large poultry, small rice, small sugar, and most dairy cooperatives have a COGS in excess of 90 percent, while large livestock marketing cooperatives that operate mainly as auctions have a COGS of 99 percent.

Gross Margins

The excess of net sales over the cost of goods sold is the gross margin or gross margin percentage. A

small change in the gross margin can substantially impact net operating margins. A cooperative manager must maintain a gross margin near industry averages. Thus, least-cost sources of supplies need to be developed and marketing cooperatives need to pay market rates on the products they purchase.

Cooperatives are often characterized as businesses that provide goods and services “at cost.” However, a cooperative cannot operate at cost on a daily basis. Cooperatives need adequate gross margins to be profitable and to afford to finance essential future-directed discretionary expenditures, such as expansion and advertising.

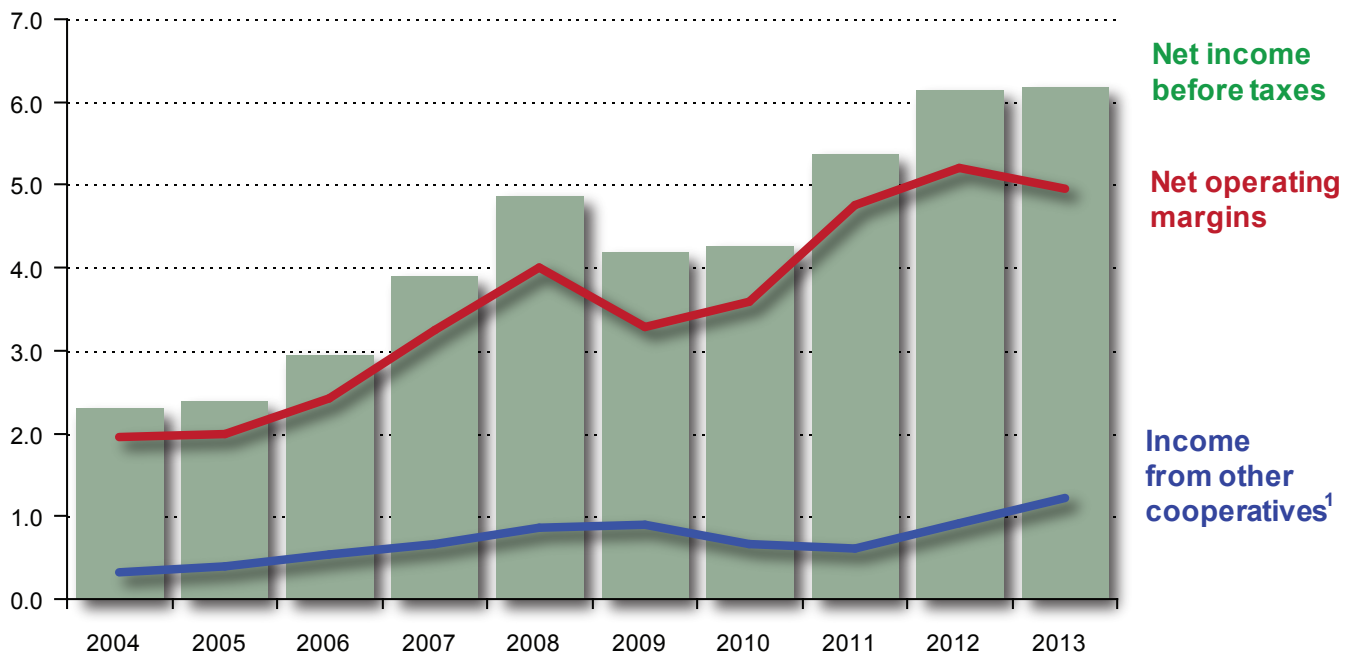
Gross margin equals net sales less cost of goods sold, so cooperatives with higher COGS had lower gross margins. The COGS was about 1 point higher for the very largest cooperatives than for the other sizes. As discussed earlier, those cooperatives with a low COGS would have high gross margins.

Service and Other Operating Income

Service and other operating income is derived from any service cooperatives provide. Some coopera-

Figure 14: Cooperatives' Net Income Before Taxes, 2004-2013

Billion dollars



¹ Includes dividends and patronage refunds from other cooperatives and CoBank.

tives only provide services. Service-only co-ops include: rice driers, storage, transportation, auctions, hulling, seed development, locker plants, pest management, scouting, farmer markets, and miscellaneous services. Service income is important to marketing and supply cooperatives. They provide hauling, storage, grading, delivery, custom application, recordkeeping, and drying, to name some of the most common services. Other operating income is generated from sales activities and includes income from providing financing for sales.

For service cooperatives, service is 100 percent on their income statement. By cooperative size, service income is most important for smaller cooperatives (16 percent of sales) and diminishes as size increases to cooperatives with over \$500 million in sales (1 percent of sales). Many of the cotton ginning cooperatives have a significant amount of service income; hence service income ranges from 24 percent to 81 percent of sales for these cooperatives.

Operating Expenses

There are only four categories for expenses in table 9: wages, depreciation, interest, and “all other.”

Wages includes salaries and wages, payroll taxes, employee insurance, unemployment compensation, and pension expense. The “all other” account includes administrative expenses, which are overhead costs and indirectly related to a cooperative’s revenue. These include professional services, office supplies, telephone, meetings and travel, donations, dues and subscriptions, directors’ fees and expense, and annual meetings. The “all other” category also includes general expenses, which are directly related to revenue, such as advertising and promotion; auto and truck delivery; insurance; property, business, and other taxes and licenses; rent and lease expenses; plant supplies and repairs; repairs and maintenance; utilities; miscellaneous; bad debts; and other expenses.

Wage expenses were the highest for smaller cooperatives and fell as cooperative size increased, from 12 percent for the smallest cooperatives, to 3 percent for the largest. Wage expenses were higher for service cooperatives because they are generally small and lack other sales to spread out wage costs. Artificial insemination cooperatives had wage expenses that were more than 41 percent of sales;

Table 12: Number, participation, and level of activity of dairy herd improvement associations, by State, January 31, 2013

State	Herds	Cows	DHI Cows
	<i>Number</i>	<i>Number</i>	<i>Percentage</i>
Alabama	20	3,315	100
Arizona	18	47,665	97
Arkansas	16	2,301	100
California	702	913,104	100
Colorado	30	38,175	76
Connecticut	76	12,507	100
Delaware	26	3,728	100
Florida	23	26,976	60
Georgia	90	25,988	62
Idaho	136	203,914	97
Illinois	330	46,192	99
Indiana	285	49,021	91
Iowa	640	124,079	99
Kansas	134	16,906	82
Kentucky	227	27,950	93
Louisiana	30	4,462	78
Maine	110	13,200	89
Maryland	258	32,045	99
Massachusetts	67	5,656	97
Michigan	595	186,825	93
Minnesota	1,704	240,857	99
Mississippi	26	5,753	100
Missouri	250	31,943	100
Montana	21	4,616	86
Nebraska	88	24,488	99
Nevada	10	7,242	100
New Hampshire	70	9,786	100
New Jersey	41	3,377	100
New Mexico	12	38,900	83
New York	1,618	325,469	92
North Carolina	108	20,976	78
North Dakota	21	6,496	100
Ohio	710	112,069	96
Oklahoma	51	6,826	96
Oregon	149	50,081	100
Pennsylvania	3,651	316,682	95
Rhode Island	8	433	100
South Carolina	36	7,448	96
South Dakota	91	37,018	98
Tennessee	104	14,597	94
Texas	98	114,377	85
Utah	102	32,504	85
Vermont	309	51,608	97
Virginia	319	55,364	91
Washington	158	80,364	100
West Virginia	28	2,989	100
Wisconsin	4,161	689,694	99
Wyoming	1	613	100
United States	17,758	4,076,579	96

those of smaller cotton ginning cooperatives averaged almost 33 percent of sales. Dairy, grain and oilseed, larger and mid-sized livestock marketing (auctions), bioenergy, large nut, smaller rice, and small sugar cooperatives had lower wage expenses relative to sales.

Depreciation expenses did not change much with cooperative size, ranging from 2 percent for the smallest cooperatives to 1 percent for the largest cooperatives. Smaller cotton ginning cooperatives, small nut, and service cooperatives (except dairy, livestock, fruit and vegetable, and cotton) had depreciation expenses of at least 5 percent of sales. Most livestock cooperatives had little PP&E, so depreciation expenses were less than 1 percent. Large cotton, most dairy, small and mid-size fruit and vegetable, grain and oilseed, large supply, small fish, small rice, large nut, and small sugar cooperatives also had depreciation expenses of less than 1 percent.

Interest expenses were relatively minor for all sizes of cooperatives, comprising less than 1 percent of total sales. Cotton service, small cotton ginning, farmer markets, and small nut cooperatives had interest expenses greater than 2 percent of sales.

Other expenses fell as cooperatives grew larger. This account is the difference between total expenses and the sum of wages, depreciation, and interest, so it can be overstated when these three accounts are estimated for the few cooperatives that did not break out individual expenses on the survey or in their annual report. As a result, other expenses in this report may be larger than expected.

Net Operating Margins

Net operating margins is calculated by taking gross margins minus total expenses before taxes, and not counting patronage refunds from other cooperatives. So, it is income generated by a cooperative's own operations. Net operating margins for all cooperatives in 2013 was \$4.9 billion, excluding inter-cooperative dividends and refunds (table 11). Net operating margins was about \$300 million lower than in 2012.

Net operating margins as a percent of net sales was 2 percent for all cooperatives by size (table 9). Most service cooperatives (except livestock), arti-

ficial insemination, large processed and fresh fruit and vegetable, smaller to large supply, larger fish, cotton ginning, nut, and dry bean and pea cooperatives had net operating margins of at least 3 percent. Dairy, small fresh fruit and vegetable, large cotton, large poultry, smaller grain, small supply, livestock, livestock service, small fish, and small sugar marketing cooperatives had net operating margins of less than 1 percent.

Patronage Income

Patronage refunds received (usually income from other cooperatives) results from business activities with other cooperatives, generally regionals, or CoBank, a cooperative bank. The patronage refund from regionals was based on business volume and consisted of cash refunds and equity stock. Stock was usually revolved back to the local cooperative on a set schedule. Many cooperatives that borrowed funds from CoBank received both cash and non-cash patronage income. The non-cash patronage from CoBank was from investment in the bank, which was usually required in proportion to the funds borrowed.

Patronage refunds received from other cooperatives, including CoBank, totaled \$1.2 billion, up 33 percent from \$900 million in 2012 (appendix figure 6). In 2004, refunds from other cooperatives were \$330 million or about one-fourth of the refunds in 2013. In 2013, refunds were almost 20 percent of net income before taxes.

Patronage refunds were a little less than 2 percent of sales for the smallest cooperatives, and fell to 0.2 percent for the largest (table 9). All cotton ginning cooperatives had patronage refunds of almost 2 percent of sales. All but the largest cotton ginning (sales in excess of \$10 million) had patronage income of almost 4 percent of sales. Livestock, fish, large poultry, bioenergy, nut, rice, tobacco, wool, sugar, storage, milk service, and hulling cooperatives received virtually no patronage refunds (0.1 percent of sales).

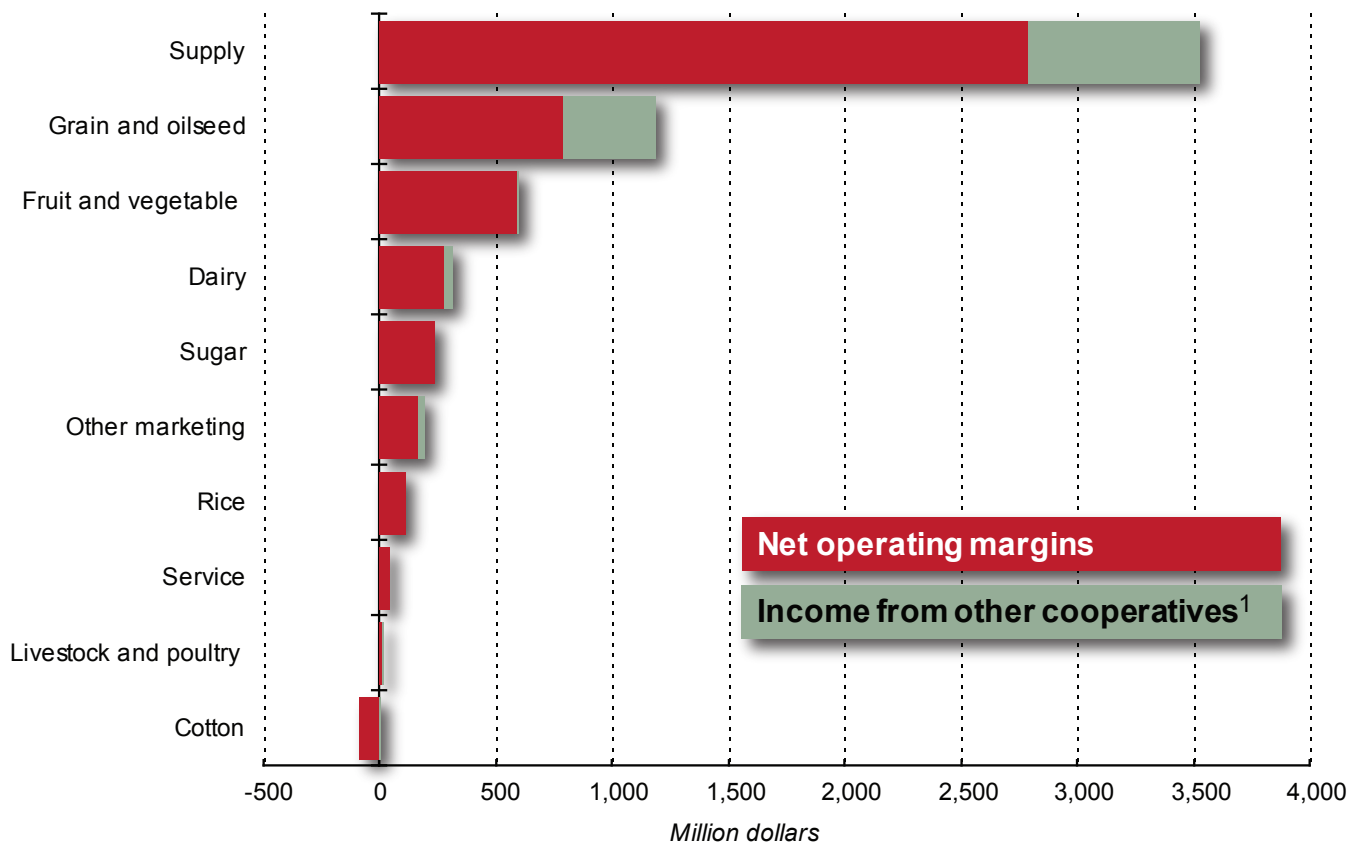
Non-Operating Income

Non-operating income is income not generated by sales. It could be interest from investments. It also could come from the sale of PP&E, rentals, and

Table 13: Number¹, participation, and level of activity of rural electric cooperatives, by State, December 2012

State	Cooperatives	Members	Revenue Million \$
	Number	Number	
Alabama	22	516,139	1,189
Alaska	17	238,351	743
Arizona	15	233,683	510
Arkansas	19	510,356	1,005
California	5	38,861	71
Colorado	23	615,796	1,395
Delaware	1	84,430	133
Florida	15	855,053	2,095
Georgia	43	1,840,847	3,912
Hawaii	1	36,408	188
Idaho	11	88,759	157
Illinois	26	288,407	712
Indiana	40	539,560	1,322
Iowa	37	219,674	603
Kansas	29	288,448	751
Kentucky	25	785,425	2,032
Louisiana	10	385,708	662
Maine	3	15,146	10
Maryland	2	206,067	522
Michigan	11	324,253	485
Minnesota	44	764,643	1,484
Mississippi	26	754,266	1,817
Missouri	46	717,932	1,302
Montana	27	189,078	339
Nebraska	33	239,438	750
Nevada	6	48,227	161
New Hampshire	1	78,885	114
New Jersey	1	11,571	18
New Mexico	16	210,614	488
New York	4	18,073	24
North Carolina	27	996,509	1,865
North Dakota	20	165,575	611
Ohio	25	382,965	875
Oklahoma	27	487,318	1,063
Oregon	17	206,730	382
Pennsylvania	15	217,268	318
South Carolina	22	733,237	1,653
South Dakota	30	153,884	388
Tennessee	22	930,131	2,338
Texas	69	1,986,535	4,185
Utah	5	46,600	111
Vermont	2	48,611	83
Virginia	13	607,992	1,421
Washington	13	149,539	304
West Virginia	1	6,663	13
Wisconsin	24	263,509	490
Wyoming	11	106,149	414
United States	902	18,633,313	41,508

¹ Distribution cooperatives plus generating and transmission cooperatives equals the total number of cooperatives.

Figure 15: Before Taxes Net Income or Loss, by Type of Cooperative, 2013

¹ Includes dividends and patronage refunds from other cooperatives and CoBank.

extraordinary items. Sometimes PP&E are sold to generate income, but usually these types of assets are fully depreciated. When sold, if the market value is greater than the book value, income is generated. In some cases, disposal of a fully depreciated asset may mean a loss. Rental income from unused facilities or equipment provides income flows. Sales of extraordinary items might generate either a gain or a loss. A gain could result from a fire loss where the insurance settlement was greater than the book value. A loss might occur from flood damage for which the cooperative had no coverage. For all sizes of cooperatives, non-operating income averaged less than 0.5 percent of sales.

Net Income Before Taxes

Net income before taxes (NIBT) was \$6.2 billion, an increase less than of 1 percent from \$6.1 billion in 2012. Net income in 2013 was over 2.5 times the NIBT of \$2.3 billion in 2004 (appendix table 7 and figure 14).

Marketing cooperatives' NIBT of \$2.6 billion was up 4 percent from the \$2.5 billion generated in 2012. Dairy, fruit and vegetable, and rice were the only major types of marketing cooperatives with an increase in net income before taxes.

Total NIBT of supply cooperatives was \$3.5 billion in 2013, down \$100 million from \$3.6 billion in 2012 (figure 15). Supply cooperatives accounted for 57 percent of cooperatives' NIBT in 2013, down from the almost 59 percent in 2012 (appendix figure 7).

Losses totaled \$213 million in 2013, a 25-percent decrease from 2012. Cotton cooperatives accounted for 59 percent of the losses in 2013, while dairy cooperatives had 58 percent of the losses in 2012 (appendix figure 8). The number of cooperatives with losses declined 1 percent, from 225 to 222.

Income Taxes

Cooperatives paid income taxes on earnings not allocated to members (retained earnings) and on

dividend payments. The board of each cooperative determined what amounts of income were allocated to retained earnings and to members. Non-member business has an impact on retained earnings because cooperatives can allocate the earnings to non-members or retain the income. Cooperatives paid \$600 million in income taxes.

Net Income

Net income after taxes (net operating margins plus patronage refunds and non-operating income, minus taxes) was the highest for smaller cooperatives (4.6 percent) and fell to 2 percent for the largest cooperatives. The following co-op sectors had net incomes of greater than 5 percent: cotton service, most cotton ginning, larger processed and fresh fruit and vegetable, small artificial insemination, middle supply, small nut, large sugar, rice drier, small transportation, storage, hulling, and fresh fruit and vegetable service cooperatives.

Cotton, livestock service, larger dairy, small supply, small grain and oilseed, most livestock, smaller fish, small rice, wool, and large poultry cooperatives had net income relative to sales of less than 1 percent.

Selected Financial Ratios

Financial ratios express relationships between items in the balance sheet and income statements of a business operation. They help in analyzing a cooperative's economic and financial situation. Ratios can indicate problem areas, serve as guidelines for planning, and aid in formulating actions. However, ratio interpretation is largely subjective.

Nine financial ratios were used to measure cooperative performance or financial condition: current, debt-to-asset, debt-to-equity, retained earnings-to-total-equity, equity-to-assets, adjusted equity-to-assets, return-on-assets, return-on-member equity, and extra value index.

The formulas for these ratios are:

- Current = current assets / current liabilities;
- Debt-to-asset = debt / total assets (debt = all liabilities);
- Debt-to-equity = (debt / total assets) / (equity / total assets);

- Retained-earnings-to-total-equity = retained earnings / total equity;
- Equity-to-assets = total equity / total assets;
- Adjusted equity-to-assets = total equity / (total assets - current liabilities);
- Return-on-assets-before-interest-and-taxes = (NIBT + interest expense) / total assets;
- Return-on-member-equity = net income / allocated equity;
- Extra value index = net income after taxes – (total equity * (LIBOR³ 12 month maturity December average + X%)) / (total assets - current liabilities), where X=2 is a basic premium for risk; X=5 is a moderate level of risk, and X=10 is a high level of risk.

Liquidity Ratio

The *current ratio* is a liquidity ratio—a measure of the cooperative's ability to meet short-term obligations. It focuses on the cooperative's ability to remain solvent. However, this ratio does not consider the degree of liquidity of each of the current asset components. If the current assets of a cooperative were mainly cash, they would be much more liquid than if comprised mainly of inventory.

If the ratio is less than one, current liabilities exceed current assets and the cooperative's liquidity is threatened. Improvements can be achieved by selling additional capital stock, borrowing additional long-term debt or disposing of unproductive fixed assets and retaining proceeds. Current liabilities may also be reduced by retaining a greater portion of allocated savings (reducing the cash portion).

A high current ratio is a favorable condition financially because it indicates the ability to pay current liabilities from the conversion of current assets into cash. Operationally, this same high ratio tends to increase operating freedom and reduce the probability of bill-paying difficulty from write-downs of accounts receivable or inventory. The current ratios of six sizes of cooperatives are shown in table 9 (for all types and sizes, see appendix table 6). By size, the ratio is always less than, or equal to, 1.7, meaning current assets exceed current liabilities by 1.7 times or less.

³London Interbank Offered Rate

If necessary, these current assets could be sold to cover all short-term liabilities and the cooperative would still have some liquid assets left. By type, the current ratio exceeds 2 for small artificial insemination, large processed and fresh fruit and vegetable, large poultry, large nut, rice, tobacco, wool, bioenergy, small transportation, dairy service, and storage cooperatives.

Leverage ratios

Leverage ratios look at the long-term solvency of the cooperative and help analyze the use of debt and the ability to meet obligations in times of crisis. *Debt-to-asset-ratio* shows the proportion of debt used to finance assets. Reducing debt, increasing savings, or financing a greater portion of assets with working capital may improve this ratio.

Generally, larger cooperatives relied on the use of more debt financing. Debt financing was used for at least 43 percent of assets owned by cooperatives with sales of less than \$5 million and rose to 61 percent for the largest cooperatives. Small artificial insemination, bioenergy, large sugar, small transportation, milk service, and tobacco cooperatives used debt financing for one-third or less of their assets.

Debt-to-equity-ratio shows the financial flexibility and the long-term capital structure of the cooperative. High ratios indicate inadequate borrowing power. A low ratio is more favorable and financially makes the cooperative more independent of outside sources of funds because owners' equity is available. A low ratio may indicate low return on equity. Operationally, a low ratio tends to reduce interest cost. Improvement may be gained by disposing of unproductive assets and using proceeds to liquidate debt, or by accelerating payments on long-term loans. Cooperatives may also try increasing local equity by generating higher levels of net operating margins, slowing down equity retirement programs, selling additional capital stock, or retaining more allocated savings.

As cooperative size increases, so does use of debt. The ratio was 0.8 for the smallest cooperatives, climbing to 1.6 for the largest cooperatives. Artificial insemination, most cotton ginning, small dairy, smaller fresh fruit and vegetable, smaller processed and fresh fruit and vegetable, large-to-small supply, smaller mixed supply, poultry, bioenergy, rice, tobacco, larger sugar, and most service coop-

eratives all had a ratio of less than 1.

The ratio of *retained-earnings-to-total-equity* shows the use of retained earnings and allocated equity. Net income from non-member business is the usual source of retained earnings (unallocated equity). Operationally, the ratio can be improved by increasing equity or holding less retained earnings.

For all but the largest and smallest cooperatives, retained-earnings-to-total-equity is greater than 30, meaning the cooperative has about one-third of total equity comprised of retained earnings. This ratio increases as cooperative size increases for all but the largest cooperatives, for which the leverage ratio is 31 percent. The smallest cooperatives have retained earnings of 27 percent relative to total equity. Cotton ginning, large and smaller dairy, small and larger processed and fresh fruit and vegetable, small fish, larger and small sugar, and most service cooperatives have retained-earnings-to-total-equity ratios of less than 20 percent.

Solvency Ratios

Solvency ratios look at the long-term solvency of the cooperative and help analyze the use of equity and the ability to meet obligations in times of crisis. The ratio of *equity-to-assets* measures the use of equity to finance the cooperative and can be considered a measure of solvency or financial strength of the cooperative. The ratio is the inverse of the previously described debt-to-asset ratio ($\text{equity-to-assets ratio} = 1 \text{ minus debt-to-asset ratio}$).

Smaller cooperatives are generally stronger financially because they finance a larger proportion of their assets with their own equity. The equity-to-assets ratio ranges from 57 for the smallest cooperatives to 39 for the largest. With an equity-to-assets ratio of 39, about 40 percent of a cooperative's assets is financed by equity, and 60 percent is financed by debt. Small livestock, small cotton ginning, small dairy, smaller farm supply, bioenergy, small rice, tobacco, transportation, milk service, and livestock service cooperatives all have an equity-to-assets ratio in excess of 60.

Another measure of solvency or financial strength is shown by the *adjusted equity-to-assets ratio*, where total equity is divided by total assets, minus current liabilities. When current liabilities are subtracted from assets, the remainder is long-term debt and total equity, so the ratio shows the relative use

of long-term debt and equity to finance the cooperative. A higher ratio indicates higher solvency or a greater use of equity to finance operations. Operationally, reducing long-term debt or increasing equity strengthens this ratio.

Small cooperatives have an adjusted equity-to-assets ratio of 82, but this ratio falls to 67 for the largest cooperatives, indicating that larger cooperatives use more long-term debt. Smaller dairy, small fresh fruit and vegetable, small fresh and processed fruit and vegetable, smaller supply, smaller mixed supply, smaller livestock, bioenergy, small rice, larger sugar, small transportation, cotton service, milk service, and livestock service cooperatives have an adjusted equity-to-assets ratio of at least 85.

Profitability Ratios

Profitability ratios indicate the efficiency of the cooperative's operations. Because a cooperative is owned by its user-members, many common industry profitability ratios have little meaning. For instance, profitability ratios measuring the return on common or preferred stock of similar investor-oriented firms are not appropriate because there is seldom an open market for cooperative stock.

Return-on-assets-before-interest-and-taxes measures the rate of return on total investment. This ratio is a measure of performance. It is not sensitive to the leverage position of the cooperative. Although some assets were financed through debt, the ratio measures return to both members and lenders.

Operationally, a high ratio tends to reduce interest cost and indicates a comparatively high rate of return on assets employed. This ratio rose from 7 for the smallest cooperatives to almost 9 for middle-size cooperatives, and almost 9 for the largest cooperatives. It is at least 15 for most cotton ginning, small sugar, rice drier, smaller fish, large fresh and processed fruit and vegetable, and hulling cooperatives.

Return-on-member-equity represents members' investment in their cooperative. It is an important measure of profitability. This ratio is sensitive to the amount of debt capital in the cooperative, and it is best used in conjunction with other measures, such as the return on assets. Financially, a high ratio is favorable and tends to decrease financial leverage. However, a high ratio may also be a symptom of

insufficient investment. A high ratio tends to reduce interest cost over time but may occur when both total debt and interest costs are high.

By size of cooperative, the highest return-on-member-equity was over 30 percent for cooperatives with \$100 million to \$500 million in sales. The smallest cooperatives have higher proportions of member equity, and thus a lower ratio of 14. Small nut, large supply, middle livestock, small fish, large and small sugar, and hulling have a 45-percent or greater return-on-member-equity ratio.

Extra-Value Index

The *extra-value index* (EVI) can help members evaluate their cooperative's performance, because it provides a value for the opportunity cost of using equity capital [Liebrand]. A cooperative's equity capital is not openly traded in a stock market as that of an investor-oriented firm, so it is hard for cooperative members to determine if management is increasing or decreasing the value of the cooperative. The EVI attempts to put a value on the opportunity cost of equity capital through the use of an interest charge on the equivalent to the amount the money (member equity capital) could have earned if used elsewhere. In other words, EVI evaluates cooperative performance by subtracting the opportunity cost of equity capital from the profitability ratio.

If the EVI is positive, cooperative management has created value for members because the cooperative's operations are covering the opportunity cost of member's equity capital. The converse is true if the EVI index is negative—member's investment in the cooperative is being diminished because the opportunity cost of member's equity capital is not being covered.

There are three values shown for EVI in table 9. The EVI+2 represents a basic rate by adding 200 basis points to the London Inter-Bank Offered Rate (LIBOR) 12-month maturity December average, which was 0.58 for December 2013. The basic LIBOR+2 rate represented in table 9 as EVI+2 (2.58) reflects the rate that banks in the United States might make loans to firms with better-than-average credit ratings. EVI+5 (5.58) represents a moderate premium for risk or LIBOR rate plus 500 basis points, while EVI +10 (10.58) is a higher premium for risk as it is LIBOR rate plus 1,000 basis points.

Smaller cooperatives, which generally have a larger proportion of equity relative to assets, have a lower EVI. For EVI+2, small cooperatives generated 6.2 cents of extra value for each \$1 of member equity investment. For the higher risk of EVI+10, smaller cooperatives had a negative return of 0.3 cents.

For EVI+2, rice drier, middle livestock, large cotton ginning, smaller fish, small sugar, and hulling cooperatives all had EVIs of at least 20 cents (Appendix Table 6). The EVI used in these tables was the same for all cooperatives. The LIBOR rate is a proxy for a cooperative's cost of capital, since the cooperative would know this value, and it could be plugged into the formula to generate its individual EVI.

Other Service Cooperatives

Dairy Herd Improvement Associations

Dairy Herd Improvement Associations (DHIA) had 17,836 memberships in 2013 (Table 12), down from 18,579 in 2012. The DHIA tested nearly 4,092,281 million cows in 2013, down from 4,133,140 million in 2012. Wisconsin (4,161), Pennsylvania (3,651), Minnesota (1,704), and New York (1,618) combined accounted for 38 percent of total members. About 913,104 (22.3 percent) of

the cows tested were in California, down from 22.9 percent in 2012.

Rural Electric Cooperatives

The number of rural electric cooperatives increased from 860 to 902 from 2011 to 2012. The top three States with the most number of rural electric cooperatives were Texas (69), Minnesota (44), and Georgia (43). Revenue and the number of members for rural electric cooperatives also increased from 2011 to 2012. Revenue in 2011 was \$40,314,000 and increased in 2012 \$41,508,000. The number of members in 2011 was 19,005,000 and decreased in 2012 to 18,633,313.

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APPENDIX TABLES

Appendix Table 1: Number of cooperatives, by major business activity, 2013-2009

Major business activity	2013	2012	2011	2010	2009
Products marketed:			<i>Number</i>		
Bean and pea (dry edible)	5	5	5	5	6
Cotton	12	12	12	12	12
Cotton ginning	148	151	153	160	166
Dairy	127	133	131	138	140
Fish	39	39	38	37	35
Fruit and vegetable	145	144	144	137	144
Grain and oilseed ¹	490	488	525	515	548
Livestock	91	87	86	81	79
Nut	18	19	18	17	16
Poultry ²	12	11	10	10	10
Rice	12	12	12	12	14
Sugar ³	27	27	26	27	31
Tobacco	5	6	6	8	9
Wool and mohair	41	43	45	54	57
Other marketing	23	23	26	25	26
Total marketing	1,195	1,200	1,237	1,238	1,293
Total supplies	871	916	934	973	990
Total services	120	120	123	116	123
Total	2,186	2,236	2,294	2,327	2,406

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

Appendix Table 2: Cooperative memberships, by major business activity, 2013-2009

Major business activity	2013	2012	2011	2010	2009
Products marketed:					
			<i>Thousands</i>		
Bean and pea (dry edible)	1.8	1.9	1.8	1.8	1.7
Cotton	25.1	18.8	25.4	28.2	29.2
Cotton ginning	24.8	25.4	26.6	25.7	25.8
Dairy	46.3	45.1	48.5	44.2	48.8
Fish	5.5	5.4	5.4	5.4	5.3
Fruit and vegetable	20.8	21.0	22.0	22.1	22.3
Grain and oilseed ¹	400.3	400.5	584.7	416.9	428.2
Livestock	71.7	70.8	73.7	75.4	73.3
Nut	9.9	9.7	9.7	15.6	15.2
Poultry ²	0.6	0.5	0.5	0.5	0.5
Rice	10.8	10.7	10.9	11.6	11.6
Sugar ³	9.5	8.8	8.7	9.4	10.9
Tobacco	13.8	18.8	11.9	65.0	65.1
Wool and mohair	9.5	9.5	9.6	9.6	9.9
Other marketing	5.1	4.8	6.5	5.4	6.5
Total marketing	655.3	651.9	845.9	736.6	754.2
Total supplies	1,284.3	1,426.4	1,397.6	1,462.6	1,447.5
Total services	37.2	36.5	35.6	35.2	35.4
Total	1,976.7	2,114.8	2,279.1	2,234.4	2,237.1

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

Appendix Table 3: Cooperative's gross business volume, by type of cooperative, 2013-2009

Major business activity	2013	2012	2011	2010	2009
Products marketed:					
			<i>Billion \$</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.2	0.2
Cotton	3.1	3.2	4.1	2.4	2.4
Dairy	42.7	41.4	42.3	34.3	30.5
Fish	0.2	0.2	0.3	0.2	0.2
Fruit and vegetable	8.2	8.0	7.8	7.7	7.5
Grain and oilseed ¹	67.0	64.5	56.1	41.0	44.4
Livestock	3.3	4.0	4.4	3.6	3.1
Nut	1.3	1.1	0.9	0.9	0.8
Poultry ²	0.7	1.5	1.3	1.2	1.2
Rice	1.7	1.6	1.6	1.5	1.7
Sugar ³	8.7	8.5	5.7	5.0	4.6
Tobacco	0.1	0.1	0.3	0.2	0.2
Other marketings ⁴	7.2	6.7	6.3	4.8	4.8
Total marketing	144.6	140.9	131.1	103.0	101.4
Supplies purchased:					
Crop protectants	11.6	11.1	9.7	8.1	8.2
Feed	16.2	15.1	13.4	10.8	11.1
Fertilizer	17.7	17.8	14.9	11.1	12.6
Petroleum	38.5	36.8	31.2	24.5	23.3
Seed	5.5	5.6	4.9	4.3	3.9
Other supplies	6.4	5.8	7.2	5.0	4.8
Total supplies	95.9	92.2	81.4	63.8	63.9
Services and all other income	5.6	4.7	4.4	4.9	4.9
Total	246.1	237.8	217.0	171.8	170.3

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Includes wool and mohair and other marketing.

Appendix Table 4: Cooperatives' net business volume, by type of cooperative, 2013-2009

Major business activity	2013	2012	2011	2010	2009
Products marketed:					
			<i>Billion dollars</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.2	0.2
Cotton	3.0	3.1	4.0	2.3	2.2
Dairy	40.2	39.7	40.7	31.1	27.6
Fish	0.2	0.2	0.3	0.2	0.2
Fruit and vegetable	5.9	5.8	5.6	5.5	5.4
Grain and oilseed ¹	66.3	63.7	55.3	40.5	43.8
Livestock	3.3	4.0	4.2	3.6	3.0
Nut	1.3	1.1	0.9	0.9	0.1
Poultry ²	0.7	1.5	1.3	1.2	1.2
Rice	1.7	1.6	1.6	1.5	1.7
Sugar ³	6.0	6.0	4.8	4.1	3.8
Tobacco	0.1	0.1	0.3	0.2	0.2
Other marketing ⁴	6.8	6.3	5.9	4.5	4.5
Total marketing	135.8	133.2	124.8	95.8	93.9
Supplies purchased:					
Crop protectants	7.3	7.2	6.6	5.6	5.8
Feed	12.7	11.8	10.5	8.6	8.8
Fertilizer	14.0	14.2	11.9	9.4	10.8
Petroleum	24.4	23.4	20.3	16.5	15.8
Seed	3.4	3.3	2.9	2.6	2.5
Other supplies	5.4	4.9	5.6	4.4	4.2
Total supplies	67.2	64.7	57.8	47.1	47.9
Services and all other income	5.6	4.7	4.4	4.9	4.9
Total	208.6	202.6	187.1	147.8	146.7

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

² Cooperatives primarily handling eggs, turkeys, ratite, squab, and related products.

³ Cooperatives primarily handling sugar beets, sugarcane, honey, and related products.

⁴ Includes wool and mohair and other marketing.

Appendix Table 5: Combined balance sheet data for cooperatives, 2004-2013

Year	Assets from own operations	Investments in other cooperatives ¹	Total assets	Total liabilities	Net worth
<i>Billion dollars</i>					
2004	41.18	4.73	45.91	26.21	19.70
2005	42.70	4.33	47.04	27.67	19.37
2006	44.15	3.57	47.72	28.07	19.65
2007	53.75	4.20	57.95	36.70	21.25
2008	65.98	4.28	70.26	47.06	23.20
2009	57.20	4.03	61.23	37.41	23.83
2010	60.53	4.37	64.89	38.99	25.90
2011	75.01	4.41	79.41	51.30	28.11
2012	78.60	4.76	83.36	53.21	30.15
2013	77.32	5.24	82.56	47.92	34.64
<i>Percent of total assets</i>					
2004	89.7	10.3	100.0	57.1	42.9
2005	90.8	9.2	100.0	58.8	41.2
2006	92.5	7.5	100.0	58.8	41.2
2007	92.8	7.2	100.0	63.3	36.7
2008	93.9	6.1	100.0	67.0	33.0
2009	93.4	6.6	100.0	61.1	38.9
2010	93.3	6.7	100.0	60.1	39.9
2011	94.5	5.5	100.0	64.6	35.4
2012	94.3	5.7	100.0	63.8	36.2
2013	93.7	6.3	100.0	58.0	42.0

¹ Includes investments in other cooperatives and CoBank, where applicable.

Appendix table 6: Common size analysis, by cooperative type and size, 2013

Type of cooperative	Artificial insemination		Cotton marketing		Cotton services
	≥ \$15 million	< \$15 million	≥ \$100 million	< \$100 million	
Cooperative sales size					all sizes
Balance sheet			<i>Percent of total assets</i>		
Current assets	53.42	64.19	70.65	74.34	53.57
Other assets	17.74	4.12	7.17	0.78	7.91
Investments	6.80	12.40	1.12	0.62	11.24
PP&E ¹ (net)	22.05	19.29	21.05	24.26	27.28
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	30.40	18.75	46.48	62.23	45.43
Total liabilities	44.41	31.93	54.46	70.27	51.30
Allocated equity	29.20	59.75	26.09	5.65	50.12
Retained earnings	26.39	8.31	19.44	24.08	-1.42
Total equity	55.59	68.07	45.54	29.73	48.70
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of total sales</i>		<i>Percent of service</i>
Total sales	100.00	100.00	100.00	100.00	
Cost of goods sold	35.25	30.73	95.60	89.47	
Gross margin	64.75	69.27	4.40	10.53	
Service and other income	6.79	4.26	1.85	0.35	100.00
Gross revenue	71.54	73.54	6.25	10.88	100.00
Expenses					
Wages	41.12	45.58	3.18	2.32	26.18
Depreciation	3.60	2.50	0.58	1.31	4.29
Interest	0.37	0.00	0.86	1.25	3.56
Other	22.30	19.66	4.48	3.85	49.86
Total expenses	67.39	67.75	9.10	8.73	83.89
Net operating margins	4.15	5.79	-2.85	2.15	16.11
Patronage income	0.10	0.30	0.04	0.06	0.61
Non-operating income	0.78	0.89	-0.17	0.52	1.21
Net income before taxes	5.03	6.98	-2.97	2.72	17.92
Taxes	0.73	0.32	0.03	0.01	0.00
Net income	4.31	6.66	-3.00	2.72	17.92
Ratios			<i>Percent or number</i>		
Current	1.76	3.42	1.52	1.19	1.18
Debt-to-asset	0.44	0.32	0.54	0.70	0.51
Debt-to-equity	0.80	0.47	1.20	2.36	1.05
Retained-earnings-to-equity	47.48	12.21	42.70	81.01	-2.91
Equity-to-assets	55.59	68.07	45.54	29.73	48.70
Adjusted-equity-to-assets	79.88	83.77	85.07	78.71	89.24
Return-on-assets	6.75	10.45	-7.66	7.71	8.75
Return-on-member-equity	18.40	16.67	-41.74	93.39	14.56
Extra value index +2	5.66	10.10	-20.35	11.93	11.07
Extra value index +5	3.26	7.59	-20.35	9.57	8.40
Extra value index +10	-0.73	3.40	-20.35	5.63	3.93

¹(Property, plant, and equipment)

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Cotton ginning			
	Cooperative sales size ≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	< \$1 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	48.88	36.64	38.96	38.35
Other assets	0.77	1.16	6.06	11.72
Investments	13.69	18.49	11.89	6.86
PP&E ¹ (net)	36.67	43.72	43.09	43.07
Total assets	100.00	100.00	100.00	100.00
Current liabilities	39.93	26.49	24.90	27.90
Total liabilities	51.07	38.72	40.96	43.72
Allocated equity	38.43	50.02	48.64	50.15
Retained earnings	10.50	11.26	10.39	6.13
Total equity	48.93	61.28	59.04	56.28
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	82.08	77.45	80.75	76.62
Gross margin	17.92	22.55	19.25	23.38
Service and other income	23.73	29.87	41.73	80.95
Gross revenue	41.65	52.42	60.98	104.33
Expenses				
Wages	8.64	15.04	17.27	32.72
Depreciation	3.03	4.89	5.40	10.75
Interest	1.00	0.64	1.12	2.72
Other	19.37	23.31	31.67	52.12
Total expenses	32.04	43.88	55.46	98.30
Net operating margins	9.61	8.54	5.52	6.02
Patronage income	1.55	3.70	7.92	11.64
Non-operating income	0.60	0.29	1.64	4.10
Net income before taxes	11.76	12.53	15.08	21.76
Taxes	0.04	0.25	0.24	-0.03
Net income	11.72	12.28	14.84	21.79
Ratios	<i>Percent or number</i>			
Current	1.22	1.38	1.56	1.37
Debt-to-asset	0.51	0.39	0.41	0.44
Debt-to-equity	1.04	0.63	0.69	0.78
Retained-earnings-to-equity	21.46	18.38	17.60	10.89
Equity-to-assets	48.93	61.28	59.04	56.28
Adjusted-equity-to-assets	81.46	83.37	78.61	78.06
Return-on-assets	18.92	16.23	14.98	12.50
Return-on-member-equity	45.22	30.25	28.20	22.19
Extra value index +2	26.83	18.44	16.24	13.42
Extra value index +5	24.39	15.94	13.88	11.08
Extra value index +10	20.31	11.77	9.95	7.18

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Dairy and dairy products			
	Cooperative sales size ≥ \$1 billion	\$300 to \$1 billion	\$50 to \$200 million	\$20 to \$50 million
Balance sheet		<i>Percent of total assets</i>		
Current assets	51.36	55.49	61.56	77.92
Other assets	22.73	2.39	3.85	8.25
Investments	0.98	2.64	8.97	4.20
PP&E ¹ (net)	24.94	39.47	25.63	9.63
Total assets	100.00	100.00	100.00	100.00
Current liabilities	48.18	34.67	49.57	39.86
Total liabilities	71.03	61.24	60.96	47.45
Allocated equity	24.67	32.06	27.72	50.31
Retained earnings	4.30	6.70	11.32	2.24
Total equity	28.97	38.76	39.04	52.55
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	90.84	91.45	94.62	95.77
Gross margin	5.76	8.55	5.38	4.23
Service and other income	0.18	0.59	0.71	5.58
Gross revenue	5.94	9.14	6.08	9.81
Expenses				
Wages	2.78	3.14	2.29	5.30
Depreciation	0.67	0.77	0.48	0.56
Interest	0.24	0.25	0.06	0.11
Other	1.80	4.16	2.74	2.99
Total expenses	5.49	8.32	5.57	8.96
Net operating margins	0.45	0.81	0.51	0.85
Patronage income	0.07	0.04	0.28	0.29
Non-operating income	-0.54	0.16	0.15	0.72
Net income before taxes	-0.02	1.01	0.93	1.86
Taxes	0.02	0.07	0.01	0.20
Net income	0.00	0.95	0.93	1.67
Ratios		<i>Percent or number</i>		
Current	1.07	1.60	1.24	1.95
Debt-to-asset	0.71	0.61	0.61	0.47
Debt-to-equity	2.45	1.58	1.56	0.90
Retained-earnings-to-equity	14.84	17.30	28.99	4.27
Equity-to-assets	28.97	38.76	39.04	52.55
Adjusted-equity-to-assets	55.91	59.34	77.41	87.38
Return-on-assets	1.02	5.01	6.23	6.79
Return-on-member-equity	-0.03	11.73	21.01	11.42
Extra value index +2	-1.46	4.22	9.55	7.30
Extra value index +5	-3.13	2.44	7.23	4.68
Extra value index +10	-5.93	-0.52	3.36	0.31

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Dairy and dairy products			
	Cooperative sales size \$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	64.87	57.02	66.23	62.27
Other assets	4.44	8.80	9.53	11.65
Investments	15.36	23.25	7.04	0.00
PP&E ¹ (net)	15.33	10.92	17.20	26.09
Total assets	100.00	100.00	100.00	100.00
Current liabilities	49.72	34.60	46.37	51.64
Total liabilities	57.64	36.11	59.53	65.95
Allocated equity	31.80	52.62	31.60	44.76
Retained earnings	10.56	11.26	8.87	-10.71
Total equity	42.36	63.89	40.47	34.05
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	94.75	92.97	93.08	94.29
Gross margin	5.25	7.03	6.92	5.71
Service and other income	1.24	1.30	2.18	9.24
Gross revenue	6.49	8.33	9.10	14.95
Expenses				
Wages	1.82	2.97	3.46	5.23
Depreciation	0.32	0.37	0.48	1.15
Interest	0.16	0.06	0.28	0.59
Other	3.71	4.41	3.89	7.75
Total expenses	6.01	7.82	8.11	14.73
Net operating margins	0.47	0.50	0.99	0.22
Patronage income	0.39	1.03	0.21	0.01
Non-operating income	0.16	0.42	0.11	0.53
Net income before taxes	1.03	1.96	1.31	0.76
Taxes	0.00	0.02	0.05	0.00
Net income	1.03	1.93	1.26	0.76
Ratios	<i>Percent or number</i>			
Current	1.30	1.65	1.43	1.21
Debt-to-asset	0.58	0.36	0.60	0.66
Debt-to-equity	1.36	0.57	1.47	1.94
Retained-earnings-to-equity	24.93	17.63	21.93	-31.45
Equity-to-assets	42.36	63.89	40.47	34.05
Adjusted-equity-to-assets	84.25	97.69	75.46	70.41
Return-on-assets	8.41	9.47	8.09	4.28
Return-on-member-equity	22.87	17.22	20.31	5.39
Extra value index +2	12.29	11.34	10.02	3.17
Extra value index +5	9.77	8.41	7.75	1.06
Extra value index +10	5.55	3.52	3.98	-2.46

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Fruit and vegetable (fresh sales only)					
	Cooperative sales size ≥ \$50 million	\$20 to \$50 million	\$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet	<i>Percent of total assets</i>					
Current assets	52.51	54.57	50.21	52.59	63.11	45.54
Other assets	6.99	6.38	5.77	13.79	9.55	8.77
Investments	3.43	5.03	3.78	7.07	0.01	0.00
PP&E ¹ (net)	37.08	34.03	40.24	26.56	27.34	45.69
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	36.48	39.69	30.91	36.31	45.74	32.04
Total liabilities	60.41	53.44	47.55	50.65	62.77	41.22
Allocated equity	22.12	23.86	35.42	37.19	26.46	15.09
Retained earnings	17.48	22.69	17.03	12.16	10.77	43.69
Total equity	39.59	46.56	52.45	49.35	37.23	58.78
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	78.70	71.76	80.77	77.55	85.94	86.30
Gross margin	21.30	28.24	19.23	22.45	14.06	13.70
Service and other income	2.42	5.53	6.38	1.12	23.54	18.56
Gross revenue	23.72	33.77	25.61	23.57	37.60	32.25
Expenses						
Wages	10.43	12.68	11.88	8.18	16.60	15.84
Depreciation	1.73	1.63	1.35	1.30	2.18	2.16
Interest	0.37	0.32	1.50	0.59	0.97	0.54
Other	9.24	16.90	9.79	14.42	17.26	14.44
Total expenses	21.76	31.54	24.53	24.48	37.01	32.98
Net operating margins	1.95	2.22	1.08	-0.91	0.59	-0.73
Patronage income	0.13	0.00	0.99	0.34	0.02	0.00
Non-operating income	0.19	0.40	0.41	0.44	1.66	4.25
Net income before taxes	2.27	2.63	2.48	-0.13	2.26	3.53
Taxes	0.29	0.27	0.17	0.02	0.03	0.00
Net income	1.98	2.36	2.32	-0.15	2.23	3.53
Ratios	<i>Percent or number</i>					
Current	1.44	1.37	1.62	1.45	1.38	1.42
Debt-to-asset	0.60	0.53	0.48	0.51	0.63	0.41
Debt-to-equity	1.53	1.15	0.91	1.03	1.69	0.70
Retained-earnings-to-equity	44.14	48.74	32.47	24.63	28.93	74.33
Equity-to-assets	39.59	46.56	52.45	49.35	37.23	58.78
Adjusted-equity-to-assets	62.34	77.20	75.91	77.49	68.61	86.49
Return-on-assets	6.75	6.98	12.32	0.87	3.19	5.78
Return-on-member-equity	22.93	23.37	20.21	-0.77	8.31	33.23
Extra value index +2	6.38	7.26	8.40	-2.45	2.28	5.15
Extra value index +5	4.51	4.94	6.12	-4.77	0.22	2.55
Extra value index +10	1.39	1.08	2.33	-8.65	-3.21	-1.77

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Fruit and vegetable (processed and fresh sales)				
	Cooperative sales size ≥ \$500 million	\$250 to \$500 million	\$50 to \$200 million	\$10 to \$50 million	Less than \$6 million
Balance sheet	<i>Percent of total assets</i>				
Current assets	53.77	69.03	69.25	45.98	78.32
Other assets	16.03	5.25	6.18	1.48	0.52
Investments	0.93	1.38	1.56	25.52	7.36
PP&E ¹ (net)	29.26	24.35	23.02	27.02	13.80
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	17.26	46.20	57.35	32.01	58.20
Total liabilities	42.95	71.09	64.13	45.01	62.72
Allocated equity	55.25	13.95	23.83	51.78	26.18
Retained earnings	1.80	14.96	12.04	3.21	11.10
Total equity	57.05	28.91	35.87	54.99	37.28
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	76.78	74.32	87.04	75.76	80.65
Gross margin	23.22	25.68	12.96	24.24	19.35
Service and other income	3.98	0.00	1.26	1.67	9.15
Gross revenue	27.21	25.68	14.22	25.92	28.50
Expenses					
Wages	8.35	13.21	5.76	10.21	13.85
Depreciation	2.38	1.80	0.70	1.68	0.89
Interest	0.71	0.98	0.34	0.45	0.54
Other	5.76	6.74	6.16	13.36	11.80
Total expenses	17.20	22.73	12.96	25.70	27.08
Net operating margins	10.01	2.95	1.26	0.21	1.42
Patronage income	0.04	0.04	0.04	0.19	0.15
Non-operating income	1.29	0.21	-0.02	0.85	0.12
Net income before taxes	11.33	3.20	1.29	1.25	1.69
Taxes	0.56	0.67	0.10	0.17	0.20
Net income	10.77	2.53	1.19	1.08	1.48
Ratios	<i>Percent or number</i>				
Current	3.12	1.49	1.21	1.44	1.35
Debt-to-asset	0.43	0.71	0.64	0.45	0.63
Debt-to-equity	0.75	2.46	1.79	0.82	1.68
Retained-earnings-to-equity	3.15	51.74	33.56	5.83	29.78
Equity-to-assets	57.05	28.91	35.87	54.99	37.28
Adjusted-equity-to-assets	68.95	53.74	84.10	80.88	89.18
Return-on-assets	18.11	6.31	5.53	2.36	4.11
Return-on-member-equity	29.32	27.40	16.94	2.90	10.45
Extra value index +2	17.80	5.72	7.29	0.12	4.24
Extra value index +5	15.73	4.11	4.77	-2.30	1.57
Extra value index +10	12.28	1.42	0.57	-6.35	-2.89

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Supply (with 100% supply sales)					
	Cooperative sales size ≥ \$500 million	\$100 to \$400 million	\$50 to \$100 million	\$30 to \$50 million	\$25 to \$30 million	\$20 to \$25 million
Balance sheet						
			<i>Percent of total assets</i>			
Current assets	60.97	55.23	51.97	57.24	48.47	51.77
Other assets	6.30	11.55	3.37	3.05	3.87	2.44
Investments	12.77	11.65	21.27	17.05	21.65	21.89
PP&E1 (net)	19.97	21.57	23.39	22.66	26.01	23.91
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	35.55	35.10	31.61	36.64	34.52	30.38
Total liabilities	51.08	48.82	37.72	45.24	40.44	35.98
Allocated equity	18.82	27.07	31.47	35.45	37.49	37.30
Retained earnings	30.09	24.11	30.81	19.31	22.07	27.73
Total equity	48.92	51.18	62.28	54.76	59.56	65.02
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	93.73	86.01	86.45	86.18	84.96	86.69
Gross margin	6.27	13.99	13.55	13.82	15.04	13.31
Service and other income	0.47	1.34	2.10	1.54	1.30	4.32
Gross revenue	6.74	15.33	15.64	15.36	16.34	17.63
Expenses						
Wages	2.07	6.43	6.72	6.87	6.96	7.55
Depreciation	0.73	1.29	1.27	1.52	1.55	1.63
Interest	0.31	0.36	0.22	0.38	0.28	0.38
Other	1.20	4.34	5.31	4.66	5.26	5.13
Total expenses	4.31	12.41	13.53	13.43	14.05	14.69
Net operating margins	2.43	2.92	2.12	1.93	2.29	2.94
Patronage income	0.48	1.96	2.76	2.78	3.22	3.37
Non-operating income	0.26	0.43	0.65	1.30	0.78	0.64
Net income before taxes	3.17	5.31	5.52	6.02	6.30	6.94
Taxes	0.62	1.13	0.86	0.51	0.68	0.76
Net income	2.55	4.18	4.66	5.50	5.62	6.18
Ratios						
			<i>Percent or number</i>			
Current	1.71	1.57	1.64	1.56	1.40	1.70
Debt-to-asset	0.51	0.49	0.38	0.45	0.40	0.35
Debt-to-equity	1.04	0.95	0.61	0.83	0.68	0.54
Retained-earnings-to-equity	61.52	47.11	49.47	35.26	37.05	42.64
Equity-to-assets	48.92	51.18	62.28	54.76	59.56	65.02
Adjusted-equity-to-assets	75.90	78.86	91.06	86.42	90.96	93.40
Return-on-assets	13.27	14.11	13.48	11.99	12.85	13.94
Return-on-member-equity	51.67	38.37	34.75	29.09	29.31	31.57
Extra value index +2	13.13	13.97	13.64	14.05	14.43	14.50
Extra value index +5	10.86	11.60	10.91	11.45	11.70	11.70
Extra value index +10	7.06	7.66	6.36	7.13	7.16	7.03

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Supply (with 100% supply sales)				
	Cooperative sales size \$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	51.83	55.75	55.54	58.55	58.83
Other assets	2.33	1.46	4.29	6.41	8.95
Investments	24.64	21.55	17.63	15.52	10.16
PP&E1 (net)	21.20	21.25	22.55	19.51	22.07
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	30.88	31.58	28.84	29.50	30.64
Total liabilities	36.90	36.32	37.38	38.26	38.47
Allocated equity	37.10	38.41	37.74	38.57	47.50
Retained earnings	25.99	25.28	24.88	23.17	14.04
Total equity	63.10	63.68	62.62	61.74	61.53
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	86.79	86.27	85.48	85.22	83.99
Gross margin	13.21	13.73	14.52	14.78	16.01
Service and other income	1.36	2.56	2.90	3.29	8.42
Gross revenue	14.58	16.29	17.42	18.07	24.43
Expenses					
Wages	6.97	8.08	8.66	9.93	15.23
Depreciation	1.30	1.36	1.32	1.30	1.63
Interest	0.23	0.28	0.47	0.50	0.85
Other	4.59	5.21	5.39	5.81	9.91
Total expenses	13.09	14.92	15.84	17.53	27.62
Net operating margins	1.49	1.37	1.57	0.53	-3.18
Patronage income	3.31	2.86	2.05	1.72	0.54
Non-operating income	0.59	0.37	0.39	0.66	1.75
Net income before taxes	5.39	4.60	4.02	2.91	-0.89
Taxes	0.75	0.46	0.31	0.15	0.14
Net income	4.64	4.14	3.71	2.76	-1.04
Ratios					
	<i>Percent or number</i>				
Current	1.68	1.77	1.93	1.98	1.92
Debt-to-asset	0.37	0.36	0.37	0.38	0.38
Debt-to-equity	0.58	0.57	0.60	0.62	0.63
Retained-earnings-to-equity	41.20	39.69	39.74	37.53	22.81
Equity-to-assets	63.10	63.68	62.62	61.74	61.53
Adjusted-equity-to-assets	91.28	93.08	88.00	87.58	88.72
Return-on-assets	11.70	9.87	8.95	6.17	-0.06
Return-on-member-equity	26.04	21.83	19.58	12.95	-2.85
Extra value index +2	11.62	9.85	8.11	4.83	-4.24
Extra value index +5	8.88	7.06	5.47	2.20	-6.90
Extra value index +10	4.32	2.40	1.07	-2.18	-11.34

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$300 to \$850 million	\$100 to \$300 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	54.74	55.39	59.09	57.13
Other assets	2.16	4.00	1.26	3.84
Investments	19.08	19.17	16.03	15.76
PP&E1 (net)	24.02	21.44	23.62	23.28
Total assets	100.00	100.00	100.00	100.00
Current liabilities	34.13	36.34	40.61	42.21
Total liabilities	45.66	45.88	48.78	52.33
Allocated equity	25.75	22.83	28.03	25.06
Retained earnings	28.59	31.29	23.19	22.61
Total equity	54.34	54.12	51.22	47.67
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	91.26	89.87	88.93	91.28
Gross margin	8.74	10.13	11.07	8.72
Service and other income	2.28	2.97	2.36	2.49
Gross revenue	11.03	13.10	13.43	11.21
Expenses				
Wages	4.79	5.66	5.99	4.91
Depreciation	1.29	1.31	1.22	1.09
Interest	0.31	0.33	0.33	0.51
Other	3.29	4.26	4.37	3.94
Total expenses	9.68	11.55	11.91	10.45
Net operating margins	1.35	1.55	1.52	0.76
Patronage income	2.19	2.46	2.07	1.80
Non-operating income	0.78	0.51	0.44	0.35
Net income before taxes	4.32	4.52	4.03	2.90
Taxes	0.59	0.73	0.43	0.15
Net income	3.73	3.78	3.60	2.76
Ratios	<i>Percent or number</i>			
Current	1.60	1.52	1.46	1.35
Debt-to-asset	0.46	0.46	0.49	0.52
Debt-to-equity	0.84	0.85	0.95	1.10
Retained-earnings-to-equity	52.61	57.81	45.28	47.43
Equity-to-assets	54.34	54.12	51.22	47.67
Adjusted-equity-to-assets	82.50	85.01	86.25	82.49
Return-on-assets	10.85	11.34	11.25	9.12
Return-on-member-equity	33.91	38.81	33.12	29.43
Extra value index +2	11.13	11.73	13.41	10.63
Extra value index +5	8.66	9.18	10.82	8.16
Extra value index +10	4.53	4.93	6.51	4.04

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$20 to \$30 million	\$10 to \$20 million	\$5 to \$10 million	Less than \$5 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	53.07	53.26	57.00	51.40
Other assets	10.85	4.42	3.51	9.00
Investments	12.90	17.16	16.04	8.47
PP&E1 (net)	23.18	25.16	23.45	31.14
Total assets	100.00	100.00	100.00	100.00
Current liabilities	34.30	32.04	30.84	29.90
Total liabilities	40.35	38.98	38.01	37.58
Allocated equity	26.91	31.59	35.21	42.55
Retained earnings	32.74	29.43	26.78	19.87
Total equity	59.65	61.02	61.99	62.42
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	89.86	88.76	86.97	85.88
Gross margin	10.14	11.24	13.03	14.12
Service and other income	6.22	5.40	4.83	11.19
Gross revenue	16.37	16.63	17.86	25.31
Expenses				
Wages	7.88	7.47	8.14	10.75
Depreciation	1.46	1.67	1.50	2.14
Interest	0.45	0.36	0.66	0.71
Other	5.19	5.45	5.83	7.58
Total expenses	14.99	14.94	16.12	21.18
Net operating margins	1.38	1.69	1.74	4.13
Patronage income	1.84	1.61	1.65	1.14
Non-operating income	0.71	0.18	0.45	0.48
Net income before taxes	3.92	3.48	3.83	5.75
Taxes	0.34	0.30	0.21	0.22
Net income	3.59	3.18	3.62	5.53
Ratios	<i>Percent or number</i>			
Current	1.55	1.66	1.85	1.72
Debt-to-asset	0.40	0.39	0.38	0.38
Debt-to-equity	0.68	0.64	0.61	0.60
Retained-earnings-to-equity	54.89	48.22	43.20	31.84
Equity-to-assets	59.65	61.02	61.99	62.42
Adjusted-equity-to-assets	90.79	89.79	89.64	89.04
Return-on-assets	8.07	7.72	9.96	7.68
Return-on-member-equity	24.57	20.22	22.83	15.44
Extra value index +2	7.72	7.08	9.31	7.08
Extra value index +5	5.00	4.39	6.62	4.40
Extra value index +10	0.46	-0.10	2.14	-0.05

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Mixed grain and oilseed marketing (with 49% to 25% supply sales)				
	Cooperative sales size ≥ \$500 million	\$200 to \$500 million	\$100 to \$200 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet	<i>Percent of total assets</i>				
Current assets	60.39	60.04	64.59	66.97	66.58
Other assets	2.70	6.75	2.77	0.95	1.71
Investments	9.20	10.54	9.00	11.16	8.95
PP&E1 (net)	27.72	22.67	23.65	20.91	22.76
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	39.52	45.20	49.82	50.44	52.11
Total liabilities	56.71	61.53	62.09	58.49	60.61
Allocated equity	17.68	16.88	16.53	23.33	20.53
Retained earnings	25.60	21.58	21.38	18.18	18.86
Total equity	43.29	38.47	37.91	41.51	39.39
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	93.98	94.40	93.13	92.33	93.16
Gross margin	6.02	5.60	6.87	7.67	6.84
Service and other income	2.85	2.97	2.68	2.97	2.71
Gross revenue	8.86	8.57	9.55	10.64	9.55
Expenses					
Wages	2.92	3.29	3.41	3.93	3.32
Depreciation	1.14	0.92	1.16	1.10	1.34
Interest	0.45	0.45	0.47	0.42	0.38
Other	3.28	2.98	2.82	3.61	2.84
Total expenses	7.78	7.63	7.86	9.05	7.88
Net operating margins	1.08	0.94	1.70	1.59	1.67
Patronage income	0.63	0.95	1.17	1.26	1.14
Non-operating income	0.23	0.09	0.19	0.13	0.09
Net income before taxes	1.94	1.98	3.06	2.98	2.89
Taxes	0.16	0.19	0.33	0.21	0.20
Net income	1.78	1.79	2.73	2.77	2.69
Ratios	<i>Percent or number</i>				
Current	1.53	1.33	1.30	1.33	1.28
Debt-to-asset	0.57	0.62	0.62	0.58	0.61
Debt-to-equity	1.31	1.60	1.64	1.41	1.54
Retained-earnings-to-equity	59.15	56.11	56.39	43.79	47.88
Equity-to-assets	43.29	38.47	37.91	41.51	39.39
Adjusted-equity-to-assets	71.57	70.19	75.55	83.76	82.24
Return-on-assets	7.90	6.70	8.85	7.88	7.47
Return-on-member-equity	33.27	29.34	41.52	27.52	29.93
Extra value index +2	7.88	7.23	11.73	10.79	10.71
Extra value index +5	5.73	5.12	9.47	8.28	8.24
Extra value index +10	2.16	1.61	5.69	4.09	4.13

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Mixed grain and oilseed marketing (with 49% to 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	63.98	64.85	63.39	65.22	62.37
Other assets	5.85	2.32	2.14	6.66	11.39
Investments	8.95	7.34	11.92	7.63	2.34
PP&E ¹ (net)	21.22	25.49	22.55	20.48	23.90
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	47.32	47.63	38.72	44.23	44.00
Total liabilities	56.37	53.07	47.59	52.13	58.04
Allocated equity	21.69	25.39	25.87	27.95	30.01
Retained earnings	21.94	21.53	26.54	19.92	11.95
Total equity	43.63	46.93	52.41	47.87	41.96
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	92.51	92.60	93.63	92.26	90.85
Gross margin	7.49	7.40	6.37	7.74	9.15
Service and other income	2.88	3.32	2.68	5.67	3.81
Gross revenue	10.37	10.72	9.05	13.41	12.95
Expenses					
Wages	3.91	4.19	4.07	5.17	6.71
Depreciation	1.45	1.33	1.03	1.28	1.25
Interest	0.52	0.41	0.39	0.49	0.63
Other	2.83	3.45	3.21	5.13	3.79
Total expenses	8.71	9.38	8.70	12.07	12.39
Net operating margins	1.67	1.34	0.35	1.35	0.57
Patronage income	0.99	0.70	0.94	0.61	0.08
Non-operating income	0.43	0.06	0.10	-0.21	0.54
Net income before taxes	3.09	2.11	1.39	1.75	1.19
Taxes	0.30	0.10	0.05	0.05	0.01
Net income	2.79	2.01	1.33	1.69	1.18
Ratios					
	<i>Percent or number</i>				
Current	1.35	1.36	1.64	1.47	1.42
Debt-to-asset	0.56	0.53	0.48	0.52	0.58
Debt-to-equity	1.29	1.13	0.91	1.09	1.38
Retained-earnings-to-equity	50.28	45.89	50.64	41.62	28.49
Equity-to-assets	43.63	46.93	52.41	47.87	41.96
Adjusted-equity-to-assets	82.82	89.62	85.54	85.84	74.94
Return-on-assets	8.23	6.94	5.28	5.23	3.53
Return-on-member-equity	29.26	21.77	15.31	14.16	7.64
Extra value index +2	9.91	8.25	4.26	4.88	2.16
Extra value index +5	7.43	5.56	1.69	2.31	-0.09
Extra value index +10	3.29	1.08	-2.58	-1.98	-3.83

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Grain and oilseed marketing (with less than 25% supply sales)				
	Cooperative sales size ≥\$500 million	\$200 to \$500 million	\$100 to \$200 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	62.14	65.97	65.85	66.44	68.08
Other assets	2.54	1.96	3.41	1.18	1.49
Investments	8.87	6.78	6.97	6.63	4.31
PP&E ¹ (net)	26.45	25.29	23.76	25.75	26.12
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	43.36	53.22	51.82	49.85	51.34
Total liabilities	59.18	64.24	61.61	60.13	62.58
Allocated equity	19.62	16.75	20.47	19.67	13.63
Retained earnings	21.20	19.01	17.92	20.20	23.78
Total equity	40.82	35.76	38.39	39.87	37.42
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	93.52	95.01	95.47	95.29	95.96
Gross margin	6.48	4.99	4.53	4.71	4.04
Service and other income	1.49	1.92	2.04	1.99	1.85
Gross revenue	7.97	6.90	6.57	6.70	5.90
Expenses					
Wages	3.03	2.12	2.12	1.99	1.89
Depreciation	0.86	0.88	0.78	0.89	0.94
Interest	0.44	0.35	0.28	0.38	0.36
Other	2.53	2.22	1.88	2.05	1.98
Total expenses	6.86	5.57	5.06	5.32	5.16
Net operating margins	1.11	1.33	1.52	1.38	0.73
Patronage income	0.55	0.56	0.46	0.44	0.27
Non-operating income	0.01	0.11	0.12	0.11	0.18
Net income before taxes	1.68	2.00	2.09	1.93	1.19
Taxes	0.17	0.11	0.15	0.11	0.15
Net income	1.51	1.89	1.95	1.82	1.03
Ratios					
	<i>Percent or number</i>				
Current	1.43	1.24	1.27	1.33	1.33
Debt-to-asset	0.59	0.64	0.62	0.60	0.63
Debt-to-equity	1.45	1.80	1.61	1.51	1.67
Retained-earnings-to-equity	51.94	53.16	46.67	50.67	63.56
Equity-to-assets	40.82	35.76	38.39	39.87	37.42
Adjusted-equity-to-assets	72.08	76.46	79.67	79.51	76.90
Return-on-assets	7.78	6.79	6.94	7.06	4.82
Return-on-member-equity	28.20	32.47	27.79	28.17	23.59
Extra value index +2	7.91	9.66	9.75	9.00	4.63
Extra value index +5	5.75	7.36	7.36	6.61	2.32
Extra value index +10	2.14	3.54	3.38	2.64	-1.53

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Grain and oilseed marketing (with less than 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	67.25	60.65	68.65	69.89	61.48
Other assets	2.02	2.97	0.23	6.15	5.71
Investments	5.56	4.04	7.01	4.81	6.81
PP&E ¹ (net)	25.16	32.34	24.12	19.15	26.01
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	51.22	43.99	42.03	44.37	44.51
Total liabilities	61.05	56.18	50.30	53.20	58.68
Allocated equity	18.76	19.25	34.02	21.53	26.69
Retained earnings	20.19	24.57	15.68	25.26	14.62
Total equity	38.95	43.82	49.70	46.80	41.32
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	94.82	95.59	92.64	94.61	90.62
Gross margin	5.18	4.41	7.36	5.39	9.38
Service and other income	2.53	2.63	2.18	2.66	7.02
Gross revenue	7.71	7.04	9.54	8.05	16.40
Expenses					
Wages	2.26	2.30	2.73	3.15	5.92
Depreciation	1.01	0.89	0.91	0.86	1.80
Interest	0.43	0.67	0.33	0.30	0.74
Other	2.27	2.10	3.69	2.65	7.92
Total expenses	5.97	5.96	7.66	6.97	16.38
Net operating margins	1.75	1.08	1.87	1.09	0.02
Patronage income	0.48	0.19	0.45	0.19	0.29
Non-operating income	0.33	0.16	0.75	0.04	0.03
Net income before taxes	2.55	1.42	3.07	1.32	0.34
Taxes	0.22	0.07	0.06	0.14	0.02
Net income	2.33	1.35	3.01	1.19	0.33
Ratios					
	<i>Percent or number</i>				
Current	1.31	1.38	1.63	1.58	1.38
Debt-to-asset	0.61	0.56	0.50	0.53	0.59
Debt-to-equity	1.57	1.28	1.01	1.14	1.42
Retained-earnings-to-equity	51.84	56.07	31.54	53.99	35.40
Equity-to-assets	38.95	43.82	49.70	46.80	41.32
Adjusted-equity-to-assets	79.86	78.24	85.73	84.11	74.46
Return-on-assets	7.18	6.10	8.82	4.39	2.38
Return-on-member-equity	29.94	20.34	22.94	14.85	2.67
Extra value index +2	9.45	4.97	11.25	3.58	-0.64
Extra value index +5	7.06	2.63	8.68	1.05	-2.87
Extra value index +10	3.07	-1.29	4.39	-3.15	-6.59

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Fish marketing				Poultry marketing	
	≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million	≥ \$50 million	< \$50 million
Cooperative sales size						
Balance sheet			<i>Percent of total assets</i>			
Current assets	59.66	65.76	57.35	46.66	68.99	60.05
Other assets	8.89	9.09	0.03	0.48	0.88	14.00
Investments	0.01	0.00	0.00	0.10	1.20	0.37
PP&E ¹ (net)	31.44	25.15	42.62	52.76	28.94	25.58
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	45.42	58.32	45.14	35.44	30.87	34.37
Total liabilities	58.09	63.93	59.35	60.49	43.70	43.84
Allocated equity	30.43	17.35	28.66	37.98	20.20	26.86
Retained earnings	11.48	18.72	11.99	1.53	36.10	29.30
Total equity	41.91	36.07	40.65	39.51	56.30	56.16
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	75.34	80.94	82.13	87.13	90.96	79.43
Gross margin	24.66	19.06	17.87	12.87	9.04	20.57
Service and other income	3.08	0.98	0.73	3.21	0.00	3.00
Gross revenue	27.74	20.04	18.60	16.09	9.04	23.58
Expenses						
Wages	12.85	2.70	8.39	6.94	5.89	8.91
Depreciation	1.63	0.50	0.64	0.89	1.08	1.39
Interest	0.63	0.19	0.35	0.47	0.38	0.21
Other	7.80	13.39	8.57	7.73	2.55	11.59
Total expenses	22.90	16.78	17.95	16.03	9.90	22.10
Net operating margins	4.83	3.26	0.65	0.05	-0.86	1.48
Patronage income	0.00	0.00	0.02	0.09	0.03	0.17
Non-operating income	0.10	0.07	0.08	0.00	0.41	0.12
Net income before taxes	4.93	3.32	0.75	0.14	-0.43	1.76
Taxes	0.02	0.03	-0.07	0.00	-0.16	0.07
Net income	4.92	3.30	0.82	0.14	-0.27	1.70
Ratios			<i>Percent or number</i>			
Current	1.31	1.13	1.27	1.32	2.23	1.75
Debt-to-asset	0.58	0.64	0.59	0.60	0.44	0.44
Debt-to-equity	1.39	1.77	1.46	1.53	0.78	0.78
Retained-earnings-to-equity	27.39	51.90	29.49	3.87	64.12	52.17
Equity-to-assets	41.91	36.07	40.65	39.51	56.30	56.16
Adjusted-equity-to-assets	76.78	86.53	74.10	61.20	81.44	85.56
Return-on-assets	13.49	19.61	6.73	1.51	-0.17	3.96
Return-on-member-equity	39.21	106.04	17.54	0.92	-4.57	12.67
Extra value index +2	19.88	41.91	7.25	-1.04	-3.44	2.98
Extra value index +5	17.58	39.31	5.03	-2.88	-5.88	0.41
Extra value index +10	13.74	34.98	1.33	-5.94	-9.95	-3.87

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Livestock marketing					
	Cooperative sales size ≥ \$250 million	\$50 to \$110 million	\$10 to to \$50 million	\$5 to to \$10 million	\$1 to to \$5 million	Less than \$1 million
Balance sheet			<i>Percent of total assets</i>			
Current assets	89.30	91.46	78.79	54.28	56.37	62.20
Other assets	0.95	1.76	8.28	9.66	10.49	13.80
Investments	3.77	1.23	0.00	0.00	2.61	0.00
PP&E ¹ (net)	5.99	5.54	12.93	36.05	30.52	24.01
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	73.61	74.34	70.88	35.37	51.98	54.35
Total liabilities	77.75	81.11	79.09	38.95	57.88	63.71
Allocated equity	9.55	13.94	48.83	15.35	28.67	28.18
Retained earnings	12.69	4.96	-27.92	45.69	13.45	8.11
Total equity	22.25	18.89	20.91	61.05	42.12	36.29
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	99.18	96.33	97.83	94.63	92.94	88.98
Gross margin	0.82	3.67	2.17	5.37	7.06	11.02
Service and other income	1.15	2.22	3.55	1.36	3.48	9.76
Gross revenue	1.97	5.90	5.72	6.73	10.53	20.79
Expenses						
Wages	1.08	1.33	2.69	2.78	3.31	11.16
Depreciation	0.06	0.22	0.55	0.75	0.76	1.04
Interest	0.11	0.36	0.59	0.16	0.36	0.37
Other	0.57	1.33	1.87	1.62	5.25	10.56
Total expenses	1.82	3.25	5.70	5.30	9.68	23.13
Net operating margins	0.15	2.65	0.02	1.43	0.85	-2.35
Patronage income	0.12	0.01	0.00	0.00	0.00	0.00
Non-operating income	0.04	0.08	0.18	0.00	0.01	0.95
Net income before taxes	0.30	2.74	0.20	1.43	0.87	-1.39
Taxes	0.01	0.01	0.02	0.31	0.00	0.13
Net income	0.29	2.73	0.19	1.13	0.87	-1.52
Ratios			Percent or number			
Current	1.21	1.23	1.11	1.53	1.08	1.14
Debt-to-asset	0.78	0.81	0.79	0.39	0.58	0.64
Debt-to-equity	3.50	4.29	3.78	0.64	1.37	1.76
Retained-earnings-to-equity	57.06	26.24	-133.54	74.85	31.94	22.35
Equity-to-assets	22.25	18.89	20.91	61.05	42.12	36.29
Adjusted-equity-to-assets	84.29	73.64	71.81	94.46	87.71	79.51
Return-on-assets	4.05	7.54	2.30	13.17	5.50	-1.14
Return-on-member-equity	29.83	47.62	1.10	60.87	13.51	-6.03
Extra value index +2	8.62	23.97	-0.01	12.02	5.80	-5.78
Extra value index +5	6.09	21.76	-2.16	9.19	3.17	-8.16
Extra value index +10	1.88	18.07	-5.75	4.47	-1.22	-12.14

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Dry bean and pea marketing	Nut marketing		Biofuels
	All sizes	≥ \$10 million	< \$10 million	All sizes
Cooperative sales size				
Balance sheet		<i>Percent of total assets</i>		
Current assets	79.13	52.89	39.43	40.59
Other assets	0.58	2.50	2.14	13.66
Investments	3.15	1.11	0.33	0.86
PP&E1 (net)	17.14	43.50	58.09	44.89
Total assets	100.00	100.00	100.00	100.00
Current liabilities	67.51	29.88	23.04	19.29
Total liabilities	74.10	65.31	62.26	27.75
Allocated equity	21.70	17.34	33.62	53.72
Retained earnings	4.20	17.35	4.12	18.53
Total equity	25.90	34.69	37.74	72.25
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	89.62	82.27	68.53	87.12
Gross margin	10.38	17.73	31.47	12.88
Service and other income	1.17	0.21	43.66	0.00
Gross revenue	11.55	17.94	75.12	12.88
Expenses				
Wages	3.78	2.45	21.33	1.36
Depreciation	1.26	0.69	12.09	2.90
Interest	0.49	0.06	2.32	0.20
Other	2.78	11.13	22.32	5.96
Total expenses	8.31	14.33	58.06	10.41
Net operating margins	3.24	3.61	17.06	2.47
Patronage income	0.55	0.02	0.02	0.00
Non-operating income	0.02	0.00	0.41	1.47
Net income before taxes	3.81	3.63	17.49	3.94
Taxes	0.11	0.13	0.45	0.18
Net income	3.70	3.50	17.04	3.76
Ratios		<i>Percent or number</i>		
Current	1.17	1.77	1.71	2.10
Debt-to-asset	0.74	0.65	0.62	0.28
Debt-to-equity	2.86	1.88	1.65	0.38
Retained-earnings-to-equity	16.21	50.02	10.91	25.65
Equity-to-assets	25.90	34.69	37.74	72.25
Adjusted-equity-to-assets	79.69	49.47	49.04	89.52
Return-on-assets	6.57	11.33	12.76	10.31
Return-on-member-equity	26.10	61.93	32.64	17.42
Extra value index +2	15.37	14.04	13.00	9.29
Extra value index +5	12.98	12.55	11.53	6.60
Extra value index +10	9.00	10.08	9.07	2.12

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Rice marketing		Tobacco marketing	Wool marketing
Cooperative sales size	≥ \$50 million	< \$20 million	All sizes	All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	62.65	61.71	46.10	45.16
Other assets	5.67	18.87	47.27	36.76
Investments	1.53	0.61	0.00	0.42
PP&E ¹ (net)	30.15	18.81	6.63	17.66
Total assets	100.00	100.00	100.00	100.00
Current liabilities	27.46	25.29	15.43	21.23
Total liabilities	41.10	34.36	22.96	40.13
Allocated equity	34.15	45.15	50.62	41.53
Retained earnings	24.75	20.50	26.41	18.34
Total equity	58.90	65.64	77.04	59.87
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	77.92	95.65	90.23	79.43
Gross margin	22.08	4.35	9.77	20.57
Service and other income	1.00	4.15	0.46	3.60
Gross revenue	23.08	8.49	10.23	24.17
Expenses				
Wages	9.64	2.42	3.48	7.63
Depreciation	1.72	0.30	0.38	0.89
Interest	0.53	0.06	0.72	0.04
Other	10.48	5.05	3.44	15.76
Total expenses	22.36	7.83	8.02	24.31
Net operating margins	0.71	0.66	2.21	-0.14
Patronage income	0.05	0.02	0.00	0.00
Non-operating income	4.38	0.04	1.67	0.01
Net income before taxes	5.14	0.72	3.89	-0.13
Taxes	1.73	-0.19	0.04	0.00
Net income	3.41	0.91	3.85	-0.13
Ratios		<i>Percent or number</i>		
Current	2.28	2.44	2.99	2.13
Debt-to-asset	0.41	0.34	0.23	0.40
Debt-to-equity	0.70	0.52	0.30	0.67
Retained-earnings-to-equity	42.02	31.22	34.29	30.64
Equity-to-assets	58.90	65.64	77.04	59.87
Adjusted-equity-to-assets	81.19	87.87	91.09	76.01
Return-on-assets	12.52	5.49	3.10	-0.07
Return-on-member-equity	22.04	14.15	5.12	-0.23
Extra value index +2	8.28	6.29	0.71	-2.08
Extra value index +5	5.84	3.65	-2.02	-4.36
Extra value index +10	1.78	-0.74	-6.57	-8.16

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Sugar marketing			
	Cooperative sales size ≥ \$300 million	\$100 to \$300 million	\$30 to \$100 million	Less than \$20 million
Balance sheet		<i>Percent of total assets</i>		
Current assets	46.67	18.74	42.84	61.85
Other assets	12.97	61.21	0.75	15.12
Investments	0.83	0.30	5.04	0.00
PP&E ¹ (net)	39.53	19.75	51.37	23.03
Total assets	100.00	100.00	100.00	100.00
Current liabilities	38.51	15.31	33.87	48.91
Total liabilities	57.63	26.95	49.22	59.28
Allocated equity	41.09	12.29	46.45	26.24
Retained earnings	1.28	60.76	4.33	14.48
Total equity	42.37	73.05	50.78	40.72
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	82.37	79.28	76.79	91.42
Gross margin	17.63	20.72	23.21	8.58
Service and other income	0.86	0.01	0.31	5.17
Gross revenue	18.49	20.73	23.51	13.74
Expenses				
Wages	6.00	9.08	5.90	0.73
Depreciation	1.67	2.12	1.72	0.11
Interest	0.38	0.37	0.92	0.05
Other	8.42	7.75	13.05	11.49
Total expenses	16.48	19.31	21.59	12.37
Net operating margins	2.01	1.42	1.92	1.37
Patronage income	0.01	0.05	0.12	0.00
Non-operating income	-0.31	12.98	0.28	0.00
Net income before taxes	1.71	14.46	2.32	1.37
Taxes	0.13	1.35	0.15	0.00
Net income	1.58	13.10	2.17	1.37
Ratios		<i>Percent or number</i>		
Current	1.21	1.22	1.26	1.26
Debt-to-asset	0.58	0.27	0.49	0.59
Debt-to-equity	1.36	0.37	0.97	1.46
Retained-earnings-to-equity	3.02	83.17	8.53	35.56
Equity-to-assets	42.37	73.05	50.78	40.72
Adjusted-equity-to-assets	68.90	86.26	76.78	79.71
Return-on-assets	5.08	13.84	5.63	30.05
Return-on-member-equity	9.33	99.56	8.11	110.74
Extra value index +2	4.46	12.22	3.71	54.83
Extra value index +5	2.39	9.64	1.41	52.44
Extra value index +10	-1.05	5.32	-2.43	48.45

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Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Rice drier	Transportation		Storage
Cooperative sales size		≥ \$1 million	< \$ 1 million	
	All sizes			All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	36.71	44.84	48.00	32.51
Other assets	6.72	1.57	0.95	0.02
Investments	0.18	2.01	2.18	0.00
PP&E ¹ (net)	56.39	51.58	48.87	67.47
Total assets	100.00	100.00	100.00	100.00
Current liabilities	21.91	29.98	10.74	10.11
Total liabilities	35.30	40.61	11.77	44.60
Allocated equity	59.07	44.04	52.57	39.56
Retained earnings	5.63	15.35	35.66	15.84
Total equity	64.70	59.39	88.23	55.40
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00
Expenses				
Wages	23.35	31.10	34.87	14.66
Depreciation	8.53	6.79	12.09	11.25
Interest	1.25	0.26	0.20	0.00
Other	35.78	59.31	48.26	38.66
Total expenses	68.92	97.47	95.42	64.58
Net operating margins	31.08	2.53	4.58	35.42
Patronage income	0.15	0.42	0.33	0.00
Non-operating income	0.17	0.18	1.39	0.18
Net income before taxes	31.40	3.12	6.31	35.60
Taxes	-0.11	0.23	0.00	1.54
Net income	31.52	2.89	6.31	34.06
Ratios		<i>Percent or number</i>		
Current	1.68	1.50	4.47	3.21
Debt-to-asset	0.35	0.41	0.12	0.45
Debt-to-equity	0.55	0.68	0.13	0.80
Retained-earnings-to-equity	8.70	25.85	40.42	28.60
Equity-to-assets	64.70	59.39	88.23	55.40
Adjusted-equity-to-assets	82.86	84.82	98.84	61.64
Return-on-assets	20.18	8.30	4.80	14.18
Return-on-member-equity	32.97	16.11	8.84	34.30
Extra value index +2	22.81	7.94	2.66	13.51
Extra value index +5	20.32	5.40	-0.31	11.66
Extra value index +10	16.18	1.16	-5.25	8.57

Appendix table 6: Common size analysis, by cooperative type and size, 2013, (continued)

Type of cooperative	Hulling	Dairy Service	Livestock Service	Fresh Fruit & Veg. Service	Farmer Markets
Cooperative sales size	All sizes	All sizes	All sizes	All sizes	All sizes
Balance sheet			<i>Percent of total assets</i>		
Current assets	35.90	96.02	16.93	57.03	24.76
Other assets	2.82	3.98	0.00	6.05	6.76
Investments	0.01	0.00	0.00	8.46	0.03
PP&E ¹ (net)	61.27	0.00	83.06	28.46	68.45
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	22.19	24.82	-2.05	34.66	17.68
Total liabilities	44.92	24.82	35.71	54.74	42.93
Allocated equity	48.09	70.60	64.27	32.03	13.93
Retained earnings	6.98	4.57	0.02	13.24	43.14
Total equity	55.08	75.18	64.29	45.26	57.07
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00	100.00
Expenses					
Wages	11.76	34.01	43.46	34.62	32.62
Depreciation	5.56	0.00	1.89	3.94	5.66
Interest	1.13	0.22	1.23	0.59	3.68
Other	35.08	61.79	75.82	51.88	55.33
Total expenses	53.51	96.03	122.40	91.03	97.29
Net operating margins	46.49	3.97	-22.40	8.97	2.71
Patronage income	0.00	0.00	0.00	0.09	0.73
Non-operating income	1.04	0.41	0.00	1.89	0.47
Net income before taxes	47.52	4.38	-22.40	10.95	3.92
Taxes	0.10	3.86	0.45	0.02	0.42
Net income	47.43	0.52	-22.85	10.92	3.49
Ratios			<i>Percent or number</i>		
Current	1.62	3.87	-8.24	1.65	1.40
Debt-to-asset	0.45	0.25	0.36	0.55	0.43
Debt-to-equity	0.82	0.33	0.56	1.21	0.75
Retained-earnings-to-equity	12.68	6.09	0.03	29.24	75.59
Equity-to-assets	55.08	75.18	64.29	45.26	57.07
Adjusted-equity-to-assets	70.78	100.00	63.00	69.27	69.33
Return-on-assets	34.09	1.08	-3.44	10.55	4.84
Return-on-member-equity	69.09	0.17	-5.77	31.20	15.98
Extra value index +2	40.88	-2.42	-5.26	13.51	0.92
Extra value index +5	38.76	-5.42	-7.15	11.43	-1.16
Extra value index +10	35.22	-10.42	-10.30	7.96	-4.63

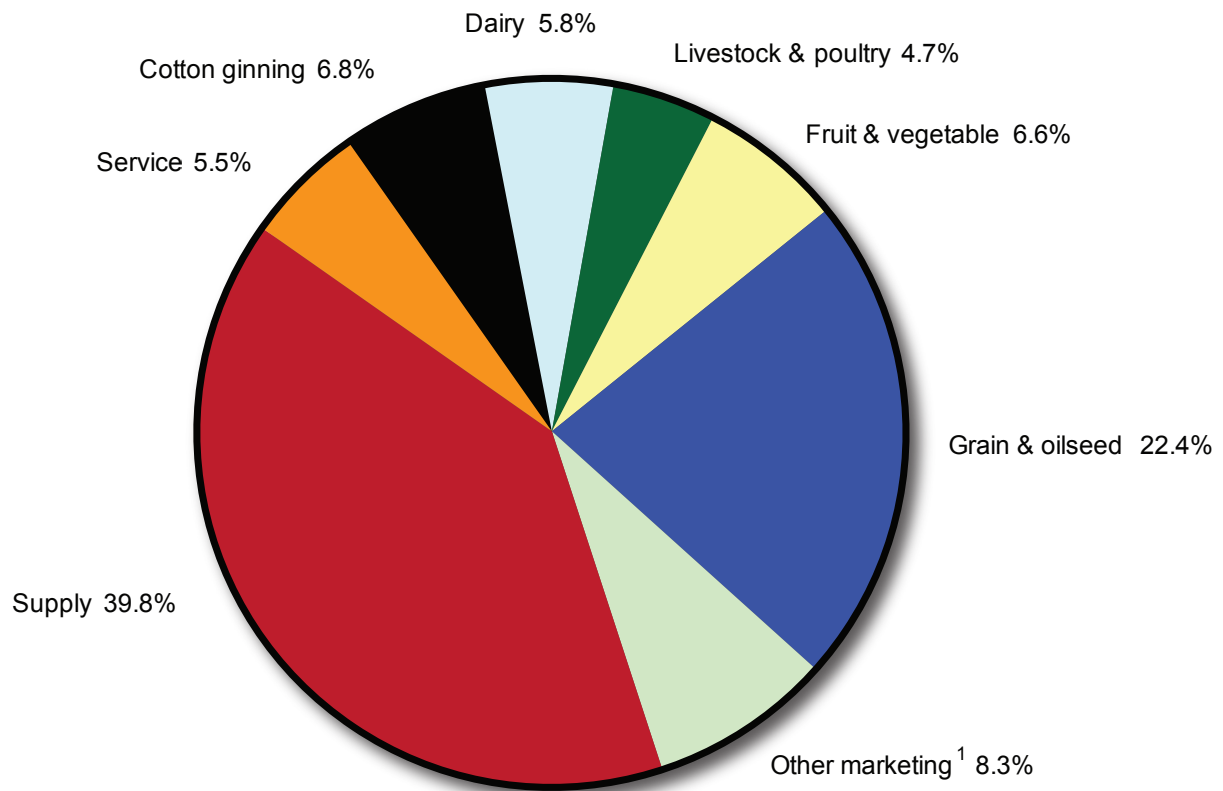
Appendix Table 7: Cooperative net income before taxes, 2004-2013¹

Year	Net operating margins	From other cooperatives ²	Total
		<i>Billion dollars</i>	
2004	1.96	0.33	2.29
2005	1.99	0.40	2.39
2006	2.42	0.53	2.94
2007	3.24	0.66	3.90
2008	4.00	0.86	4.86
2009	3.28	0.90	4.18
2010	3.59	0.67	4.26
2011	4.76	0.61	5.37
2012	5.20	0.92	6.13
2013	4.95	1.22	6.17

¹ Totals may not add due to rounding. Excludes income from cooperative pooling operations.

² Dividends and patronage refunds received from other marketing, supply, and service cooperatives, and CoBank, where applicable.

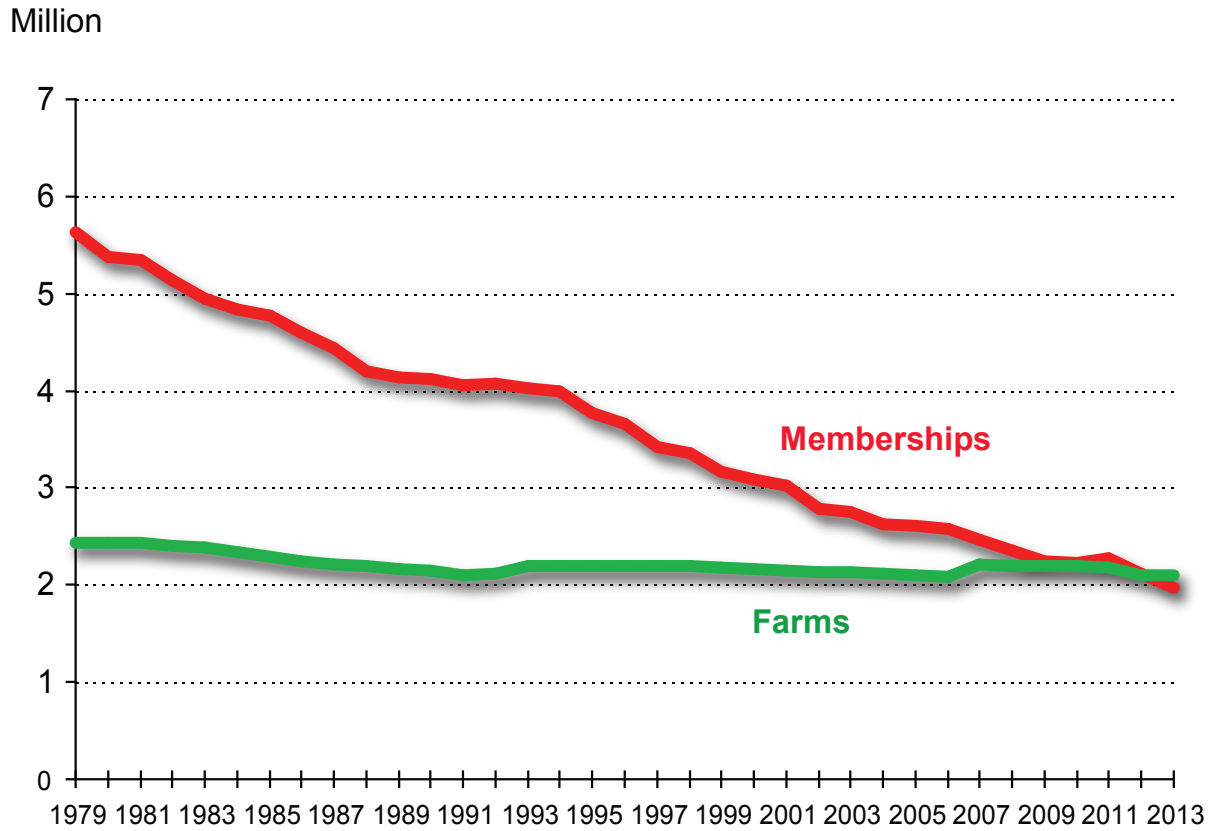
APPENDIX FIGURES

Appendix Figure 1: Distribution of Cooperatives by Type, 2013

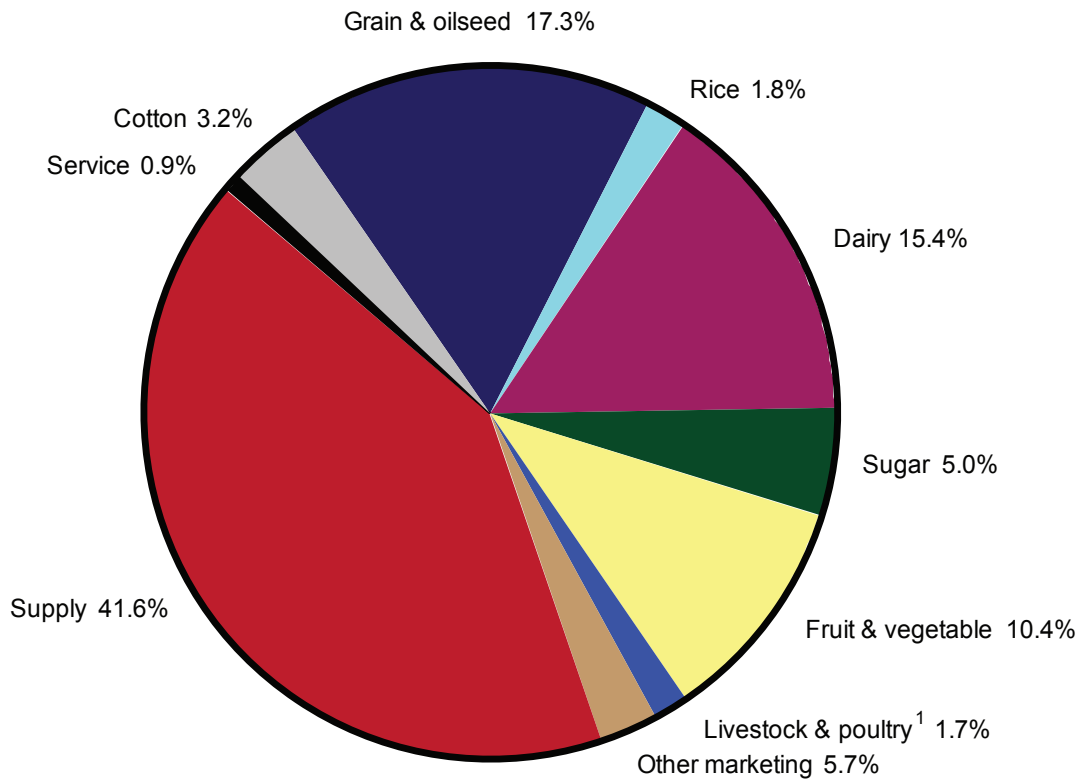
Percentages are based on a total of 2,186 cooperatives.

¹ Includes dry bean and pea, nut, wool and mohair, tobacco, rice, sugar, fishery, and other product marketing cooperatives.

Appendix Figure 2: U.S. Farms and Cooperative Memberships, 1979-2013



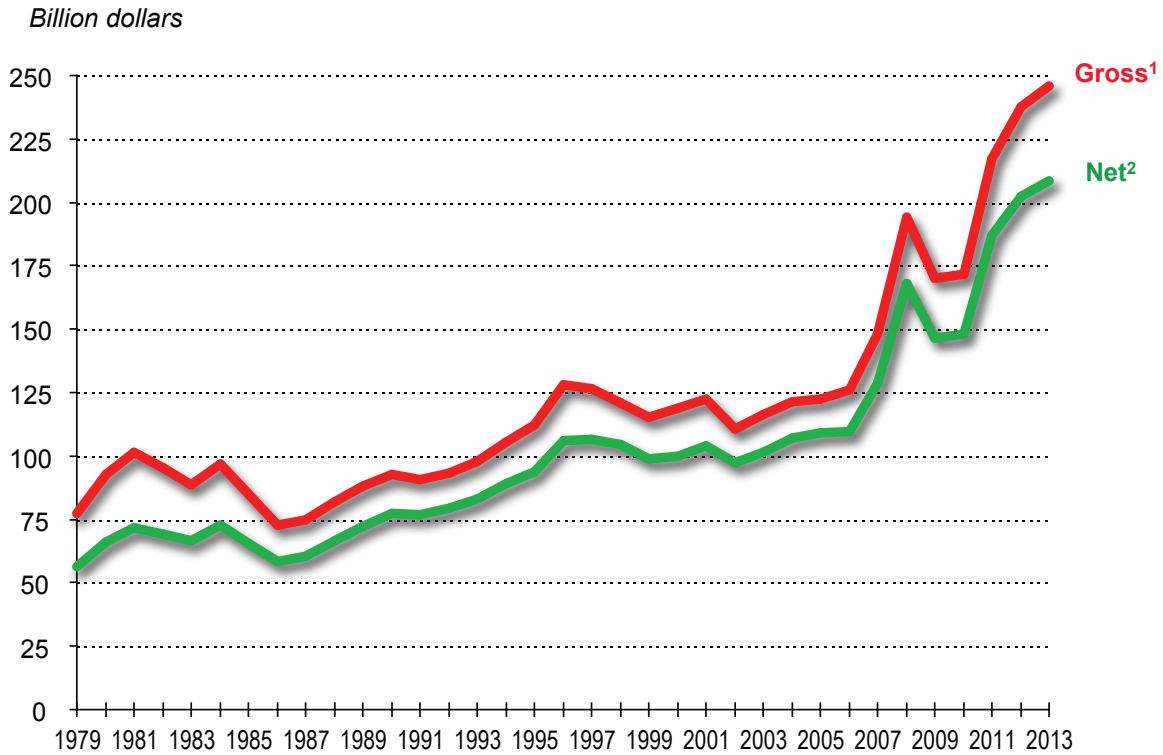
Appendix Figure 3: Distribution of Full-Time Employees by Cooperative Type, 2013



Percentages are based on a total of 136,000 full-time employees

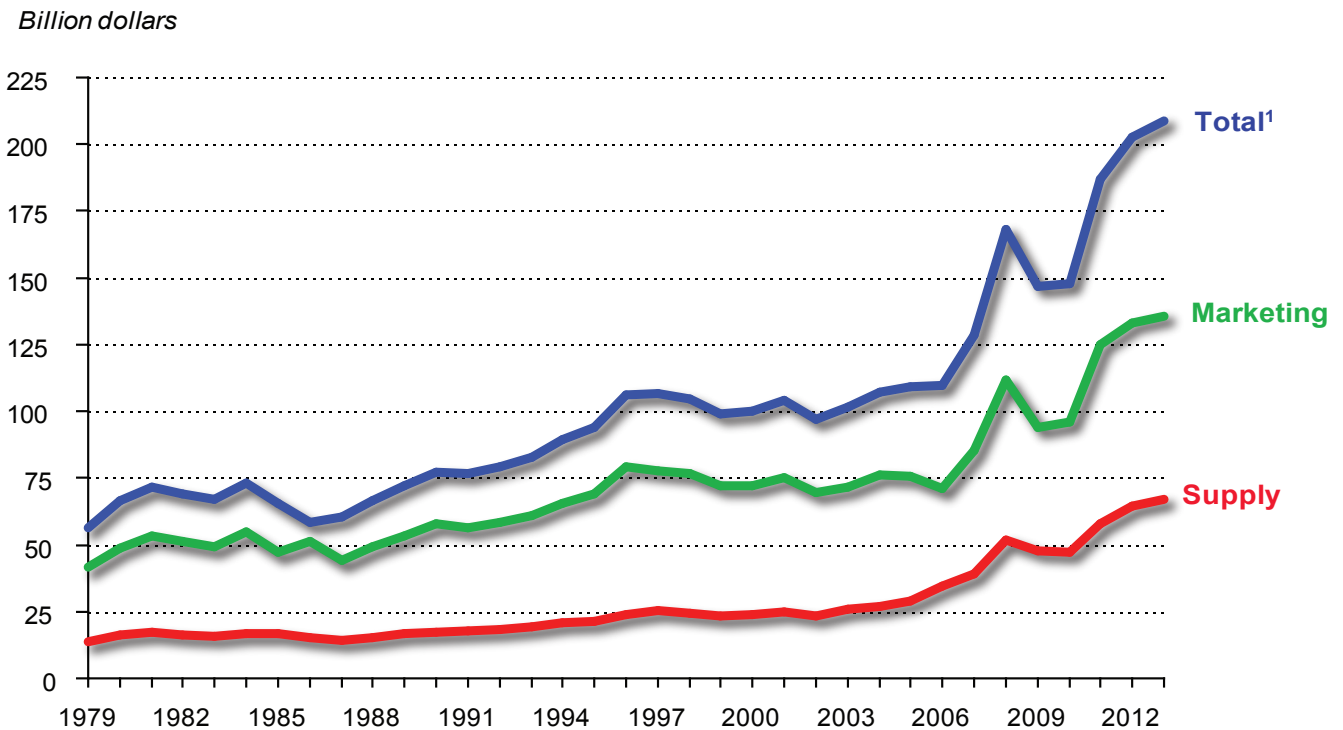
¹Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives

Appendix Figure 4: Cooperatives' Gross and Net Business Volumes, 1979-2013



¹ Includes inter-cooperative business
² Excludes inter-cooperative business

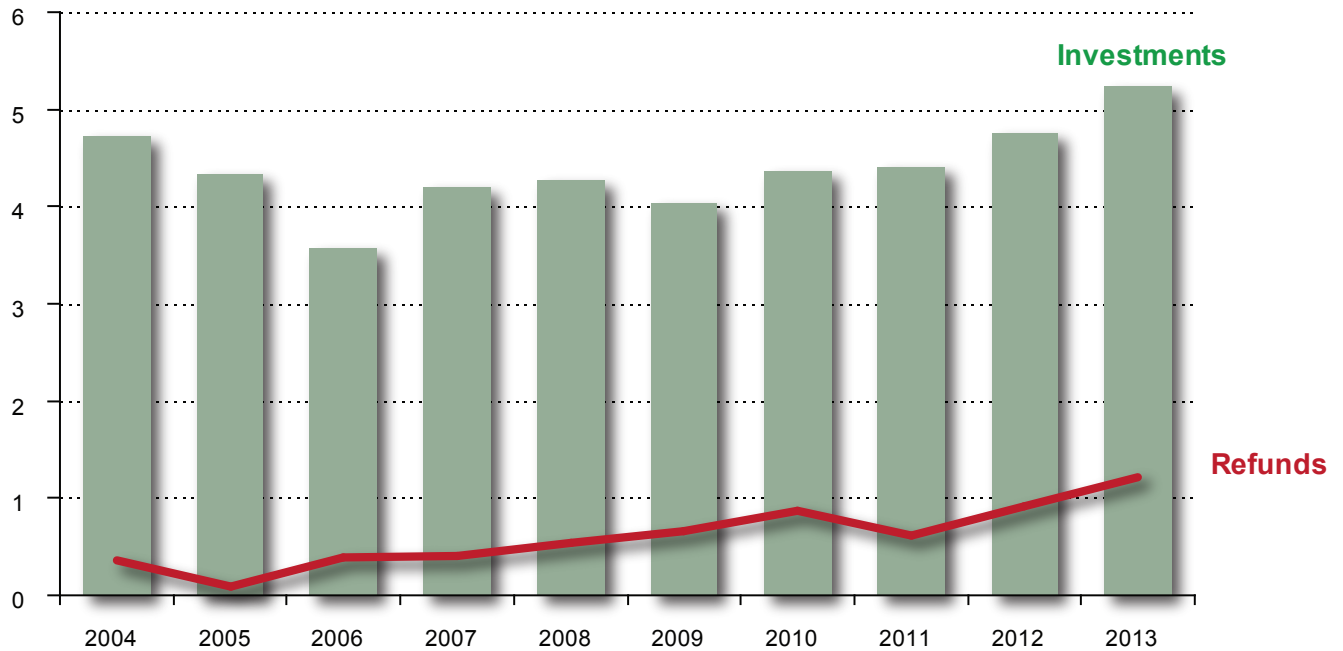
Appendix Figure 5: Cooperatives' Net Business Volume, 1979-2013



¹Total includes value of related services and other income.

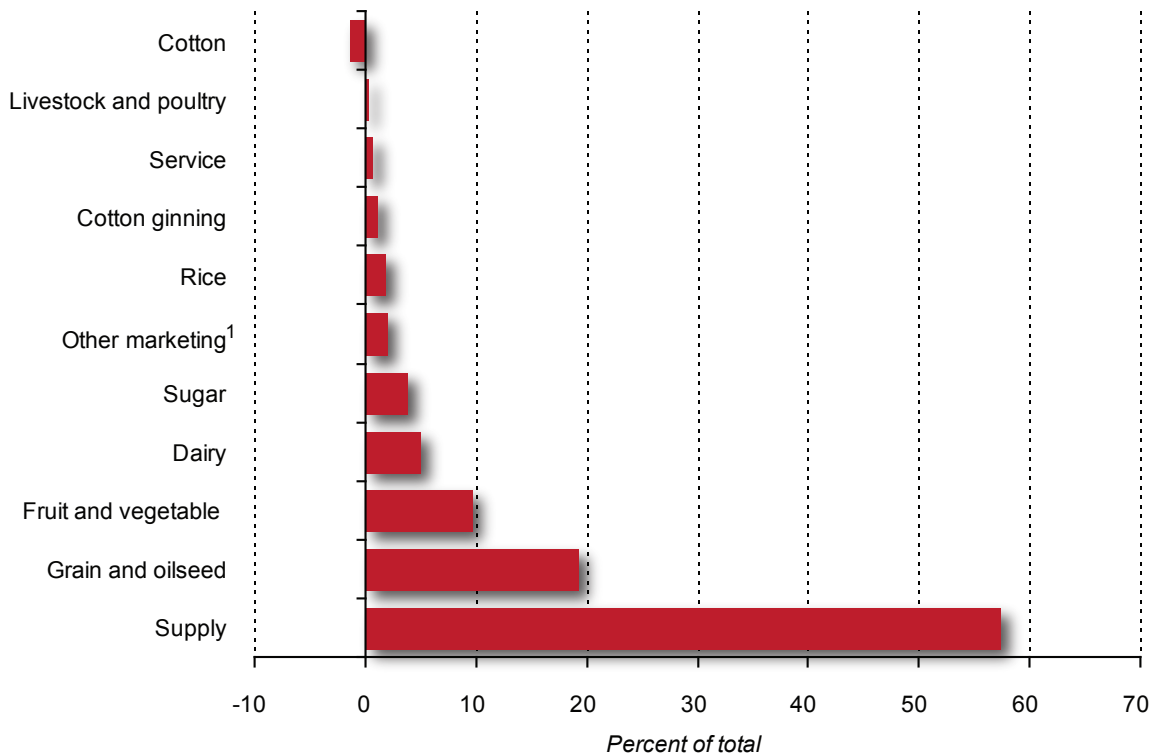
Appendix Figure 6: Cooperatives' Investments in Other Cooperatives and Patronage Refunds Received From Other Cooperatives,¹ 2003-2013

Billion dollars



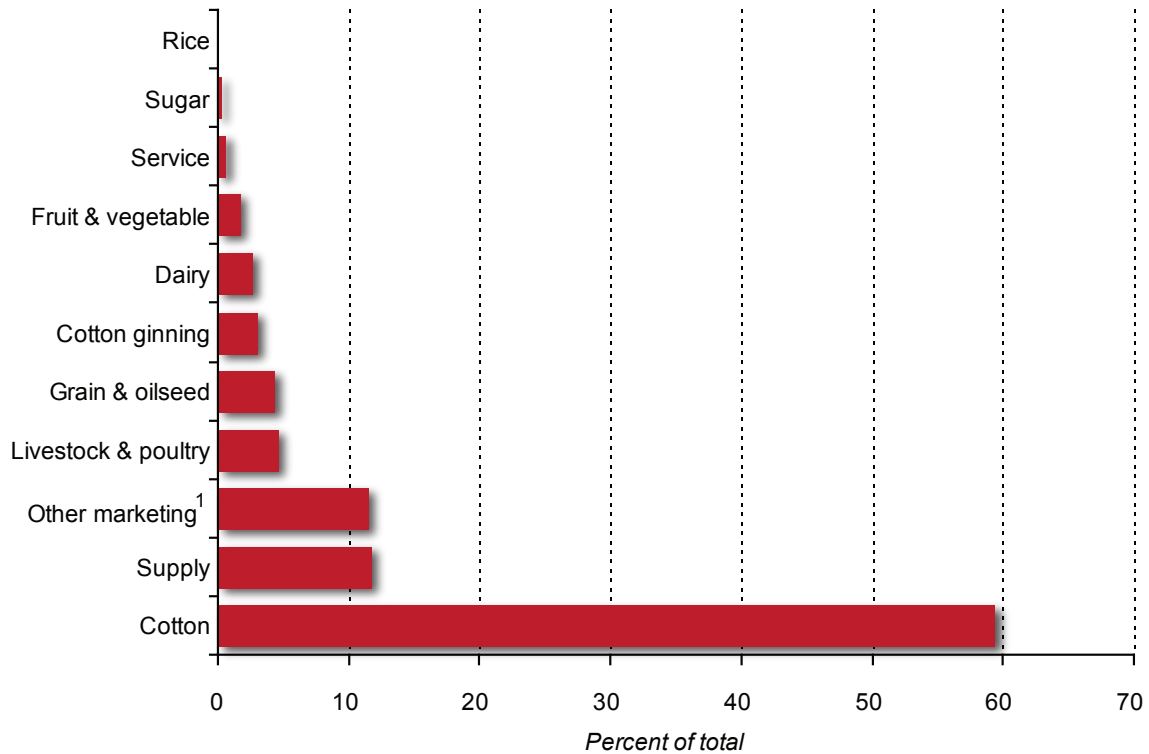
¹ Includes other cooperatives and CoBank.

Appendix Figure 7: Distribution of Net Income Before Taxes, 2013



Percentage based on net income before taxes of \$6.2 billion.

¹ Includes dry bean and pea, nut, bioenergy, wool and mohair, tobacco, fishery, and other product marketing cooperatives.

Appendix Figure 8: Distribution of Losses by Cooperative Type, 2013

Percentage based on before taxes losses of \$212.8 million.

¹ Includes dry bean and pea, nut, bioenergy, wool and mohair, tobacco, fishery, and other product marketing cooperatives.

