

COOPERATIVE STATISTICS 2008



United States
Department of
Agriculture



Committed to the future of rural communities.

Service Report 69

ABSTRACT

A survey of 2,473 U.S. farmer, rancher, and fishery cooperatives ending their business year during calendar year 2008 showed a net business volume of \$191.9 billion with a net income of \$4.8 billion. These cooperatives had assets totaling \$69 billion, \$46 billion of liabilities, and \$23 billion in equity. Cooperatives were a major employer in rural areas, with 124,000 full-time workers and 54,000 part-time or seasonal employees. Business volume by commodity is reported for all cooperatives. Num-

ber 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, 2008

Katherine C. DeVille
Jacqueline E. Penn
E. Eldon Eversull

Rural Development
U.S. Department of Agriculture
STOP 3256
1400 Independence Ave., S.W.
Washington, DC 20250 3256

Service Report 69
November 2009

Cover photos clockwise from upper left: Sugar Beet courtesy American Crystal Sugar; Fishermen by Kim Libby, courtesy Midcoast Fishermen's Cooperative; Produce by Paulette Phlipot/ www.p3images.com; Cornfield, USDA photograph by Stephen Thompson

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, age, disability, and where applicable, sex, marital status, familial status, parental status, religion, sexual orientation, genetic information, political beliefs, reprisal, or because all or a part of an individual's income is derived from any public assistance program. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audiotape, etc.) should contact USDA's TARGET Center at (202) 720-2600 (voice and TDD).

To file a complaint of discrimination write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider and employer.

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 2008. Cooperatives are classified by principal product marketed and major function. Ethanol cooperatives are included as "other product marketing" cooperatives. Both gross (includes inter-cooperative business) and net (excludes inter-cooperative business) dollar volumes are reported.

Statistics for 2008 were compiled on a State and national basis. The information was collected from individual farmer, rancher, and fishery cooperatives

by a mail survey of all organizations identified by USDA Rural Development's Cooperative Programs (CP) as farmer, rancher, or fishery cooperatives. Information was requested for the cooperatives' 2008 business year.

CP 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 88 percent of the total gross sales of farmer, rancher, and fishery cooperatives in 2008.

CP depends on the cooperative community's response to its annual survey to develop a detailed and comprehensive set of statistics on cooperatives. The time and effort taken to provide information and the timeliness with which it is furnished are greatly appreciated.

CONTENTS

| | |
|--------------------------------------|------------|
| ABSTRACT | <i>i</i> |
| PREFACE | <i>iii</i> |
| HIGHLIGHTS | <i>vii</i> |
| | |
| COOPERATIVE STATISTICS, 2008 | 1 |
| | |
| I-DEFINITION OF A COOPERATIVE | 1 |
| | |
| Classification of Cooperatives | 1 |
| Organizational Membership Structures | 1 |
| | |
| II-2008 STATISTICS | 2 |
| | |
| Number of Cooperatives | 3 |
| Memberships | 4 |
| Employees | 11 |
| Business Size | 12 |
| Business Volume | 12 |
| Balance Sheet | 15 |
| Income Statement | 17 |
| Selected Financial Ratios | 24 |
| | |
| APPENDIX TABLES | 27 |
| | |
| APPENDIX FIGURES | 53 |

HIGHLIGHTS

There are 2,473 U.S. farmer, rancher, and fishery cooperatives, according to the 2008 survey of marketing, supply, and service cooperatives by USDA Rural Development's Cooperative Programs (CP).

This was a record sales and income year for these cooperatives. The year saw high commodity and input prices for the first 10 months, followed by significant decline in the last 2 months. Information for this report is collected on a fiscal year basis but reported as a calendar year. Seventy percent of surveyed cooperatives on a business volume basis had their fiscal years (periods used for calculating annual financial statements) end in January through October, before the general slowdown in the U.S. economy.

- Total gross business volume (includes inter-cooperative business) handled by cooperatives was \$191.9 billion; net business (excludes inter-cooperative business) was \$165.3 billion.
- Total net income was \$4.8 billion, which includes inter-cooperative dividends and refunds of \$863.9 million.
- Cooperative memberships were 2.4 million, down 70,000 from 2007.
- Cooperatives employed 124,000 full-time and 54,000 part-time and seasonal employees. Full-time employee numbers were about the same as 2007, while part-time and seasonal employee numbers were down 4 percent.
- Gross value of products marketed by cooperatives was \$117 billion, with a net value (after eliminating duplication from inter-cooperative business) of \$110 billion. Gross marketings were up 25 percent due to increased prices of dairy products and grains and oilseeds.
- Gross value of supplies handled by cooperatives was \$49 billion, with a net value of \$38 billion. Gross supply sales were up 7 percent, primarily due to increasing energy costs and ingredient prices for feed.
- Receipts for services related to marketing farm products and handling supplies, plus other income, totaled \$3.5 billion.
- Cooperatives had \$57 billion in combined assets. Total assets increased 19 percent, with much of this increase from higher inventories due to increased grain and oilseed prices and higher product prices due to increased energy costs. Net assets, after eliminating inter-cooperative investments, were \$53 billion. Inter-cooperative investments included those in CoBank.
- Total liabilities totaled \$36 billion.
- Net worth, or member and patron equity, was \$21 billion. Member and patron equity financed 37 percent of total assets, down from 42 percent in 2007.

Table A—Highlights, 2008

| | 2008 | 2007 | Change |
|---|-------|-------|--------|
| Number of cooperatives | 2,473 | 2,594 | -121 |
| Memberships (millions) | 2.4 | 2.5 | -0.07 |
| Gross business volume (billion \$) | 191.9 | 146.6 | 45.30 |
| Net business volume (billion \$) | 165.3 | 127.8 | 37.49 |
| Net income before taxes (billion \$) | 4.8 | 3.8 | 1.00 |
| Total assets (billion \$) | 69.1 | 57.1 | 11.94 |
| Net worth (billion \$) | 23.0 | 20.9 | 2.04 |
| Full-time employees (thousand) | 124.4 | 125.2 | -0.73 |
| Part-time and seasonal employees (thousand) | 53.8 | 56.2 | -2.45 |

Cooperative Statistics, 2008

Katherine C. DeVille, Jacqueline E. Penn, and E. Eldon Eversull, Rural Development

I. COOPERATIVE DEFINITION

USDA Rural Development's Cooperative Programs (CP) 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

CP 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 cotton ginning cooperatives are classified as service cooperatives.

Marketing cooperatives derive most of their total dollar volume from the sale of members' products. These cooperatives are further classified into 1 of 13 commodities or commodity groups, depending upon which accounts for most of its business volume. CP 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 cotton ginning, trucking, storing, drying, and artificial insemination. Cotton ginning cooperatives comprise almost two-thirds of all service cooperatives and will often be listed separately in this report.

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 their business volume.

Organizational Membership Structures

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

Centralized

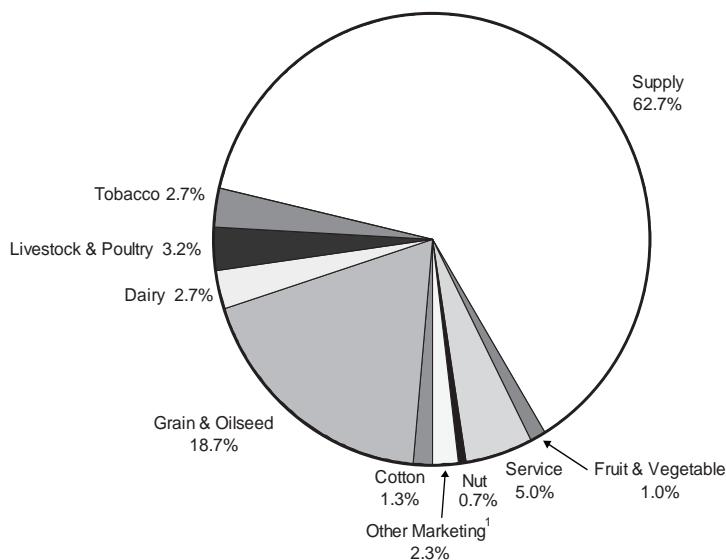
Of the 2,473 cooperatives in 2008, 2,411 were centralized organizations, mostly locals with individual farmer, rancher, or fishery members. Centralized cooperatives usually serve a local area or community, county, or several counties. Most usu-

ally perform a limited number of initial marketing functions. Most supply sales are at the retail level. A few centralized cooperatives, principally regionals, operate over multi-state areas and provide more vertically integrated services, such as processing products, manufacturing feed, or refining petroleum.

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. They, like other dairy marketing cooperatives, represent their members at Federal or State milk marketing order hearings.

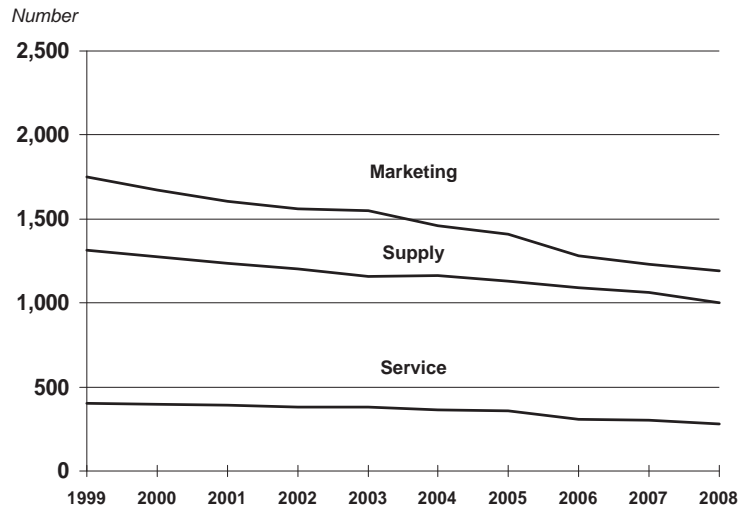
Figure 2—Distribution of Memberships, by Type of Cooperative, 2008



Percentages are based on 2.4 million total memberships.

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

Figure 1—Cooperatives in the United States, 1999-2008



Federated

The 41 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

The 21 mixed cooperatives have individual farmer, rancher, and fishery members and autonomous cooperative members, 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. 2008 STATISTICS

Cooperatives' total net business volume was \$165.3 billion in 2008, while net income was \$4.8 billion. This was a record sales and income year for these cooperatives. The year saw high commodity and input prices for the first 10 months, followed by significant decline

Table 1—Number of cooperatives and memberships, by major business activity, 2008

| Major business activity | Cooperatives <i>Number</i> | Memberships <i>Thousands</i> |
|--------------------------------|-------------------------------|---------------------------------|
| Bean and pea, dry edible | 6 | 1.5 |
| Cotton | 12 | 32.1 |
| Dairy | 147 | 64.9 |
| Fish | 41 | 5.7 |
| Fruit and vegetable | 165 | 25.0 |
| Grain and oilseed ¹ | 585 | 446.6 |
| Livestock | 59 | 76.4 |
| Nuts | 17 | 15.9 |
| Poultry ² | 13 | 0.5 |
| Rice | 14 | 11.7 |
| Sugar ³ | 32 | 11.1 |
| Tobacco | 11 | 65.3 |
| Wool and mohair | 62 | 10.0 |
| Other marketing ⁴ | 27 | 5.5 |
| Total marketing | 1,191 | 772.2 |
| Total Supply | 1,003 | 1,500.0 |
| Artificial insemination | 13 | 59.9 |
| Cotton ginning | 176 | 27.1 |
| Other services ⁵ | 64 | 30.3 |
| Rice dryers | 4 | 0.2 |
| Storage | 7 | 0.8 |
| Transportation | 15 | 0.5 |
| Total Service | 279 | 118.8 |
| Total | 2,473 | 2,390.9 |

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

⁵ Cooperatives primarily providing shipping, trucking, storing, and other services.

in the last 2 months. Information for this report is collected on a fiscal year (period used for calculating annual financial statements) basis but reported as a calendar year. Seventy percent of surveyed cooperatives on a business volume basis had their fiscal years end in January through October, before the general slowdown in the U.S. economy.

There were 2,473 agricultural cooperatives in

2008, and they had 2.4 million members. Together they had \$69 billion in assets with \$23 billion in equity. Cooperatives remained a major employer in rural areas, using 124,000 full-time workers.

Number of Cooperatives

The 2008 survey counted 2,473 marketing, supply, and service¹ cooperatives, compared with 2,594 in 2007. Of the 2,473 cooperatives, 1,191 primarily marketed products, 1,003 primarily handled production supplies, and 279 provided services related to marketing or purchasing activities (Table 1, Appendix Figure 1). A major presentation difference in this report relative to prior ones is the breakout of fishery or aquaculture cooperatives in most tables. This information was formerly presented as “other marketing” cooperatives.

The proportion of marketing, supply, and service cooperatives to the total number of cooperatives remained virtually unchanged from 2007. Marketing cooperatives comprise about 48 percent of all cooperatives; supply, 41 percent; and service, 11 percent of the total (Figure 1 and Appendix Table 1).

There was a net decrease of 121 associations (5 percent) from 2007 to 2008, largely reflecting a continuing trend involving merger, acquisition, or dissolution. The largest decrease was 58 supply cooperatives, while grain and oilseed lost 27, service declined by 21, and dairy dropped by 14.

Cooperatives are added to the list, usually following press releases from the cooperative or news items, but this is not an easy process and probably leads to under-counting. This year, a number of potato-handling or bargaining cooperatives that had been in existence for several years were added to the list. Some cooperatives had been dropped from the list earlier but were added back when it was found that they were still in operation. Most drops occur when two or more cooperatives merge or combine their operations. It is much easier to drop

¹ *Services include trucking, cotton ginning, storage, crop drying, artificial insemination, 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 2—Number of cooperatives, by major function and State, 2008

| Function | Marketing | Supply & service | Total |
|---------------------------|-----------|------------------|-------|
| <i>State</i> | | <i>Number</i> | |
| Alabama | 6 | 49 | 55 |
| Arizona | 5 | 4 | 9 |
| Arkansas | 8 | 31 | 39 |
| California | 77 | 51 | 128 |
| Colorado | 14 | 17 | 31 |
| Florida | 26 | 7 | 33 |
| Georgia | 5 | 8 | 13 |
| Hawaii | 9 | 6 | 15 |
| Idaho | 20 | 10 | 30 |
| Illinois | 87 | 44 | 131 |
| Indiana | 11 | 24 | 35 |
| Iowa | 72 | 44 | 116 |
| Kansas | 72 | 24 | 96 |
| Kentucky | 9 | 27 | 36 |
| Louisiana | 11 | 29 | 40 |
| Maryland | 4 | 10 | 14 |
| Massachusetts | 3 | 5 | 8 |
| Michigan | 24 | 23 | 47 |
| Minnesota | 111 | 105 | 216 |
| Mississippi | 10 | 51 | 61 |
| Missouri | 18 | 43 | 61 |
| Montana | 22 | 30 | 52 |
| Nebraska | 38 | 29 | 67 |
| New Mexico | 4 | 3 | 7 |
| New York | 46 | 10 | 56 |
| North Carolina | 9 | 5 | 14 |
| North Dakota | 93 | 87 | 180 |
| Ohio | 33 | 16 | 49 |
| Oklahoma | 24 | 37 | 61 |
| Oregon | 20 | 13 | 33 |
| Pennsylvania | 29 | 13 | 42 |
| South Dakota | 46 | 38 | 84 |
| Tennessee | 7 | 61 | 68 |
| Texas | 53 | 153 | 206 |
| Utah | 5 | 7 | 12 |
| Virginia | 14 | 39 | 53 |
| Washington | 38 | 26 | 64 |
| West Virginia | 12 | 12 | 24 |
| Wisconsin | 44 | 76 | 120 |
| Wyoming | 5 | 5 | 10 |
| Other States ¹ | 47 | 10 | 57 |
| United States | 1,191 | 1,282 | 2,473 |

¹ Includes States with fewer than three cooperatives for any function. States with at least three cooperatives were: Alaska, 5; Connecticut, 5; Delaware, 3; Maine, 22; Maryland, 14; New Jersey, 12; South Carolina, 4; and Vermont, 3.

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 by marketing, supply, and service functions by State are shown in Table 2. Minnesota had the most marketing cooperatives (111), followed closely by North Dakota (93). Texas had the most supply and service cooperatives (153).

Many cooperatives operate branches to better serve their members. Most branches are owned; others 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 from which to serve members and patrons at outlying locations.

Grain and oilseed and supply cooperatives operated over 4,700 branches—1,896 and 2,809, respectively. Grain and oilseed cooperatives averaged more than three branches, while supply cooperatives averaged just less than three branches per cooperative.

Memberships

Memberships in marketing, supply, and service cooperatives totaled an estimated 2.4 million in 2008, down 70,000 from 2007 (Table 3). By major business activity, 63 percent and 19 percent were memberships of supply and grain cooperatives, respectively (Appendix Table 2, Figure 2). Dairy cooperative memberships were only 3 percent of the total, but accounted for 23 percent, or \$38 billion, of cooperatives' net business volume in 2008.

Memberships in cooperatives dropped from 3.2 million in 1999 to 2.4 million in 2008 (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 exceeded the number of farms, but these numbers appear to be converging. 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 mem-

Table 3—Number¹ of cooperatives, memberships², and gross and net sales by State, 2008³

| 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> | |
| BEANS AND PEAS, DRY EDIBLE | | | | | FRUITS AND VEGETABLES (<i>continued</i>) | | | | |
| United States | 6 | 1.5 | 202.33 | 191.27 | Michigan | 13 | 1.2 | 761.53 | 700.71 |
| COTTON ⁶ | | | | | Minnesota | 4 | 0.2 | 0.54 | 0.54 |
| Texas | 4 | 22.8 | 1,268.87 | 273.02 | New Jersey | 7 | 0.7 | 187.62 | 106.91 |
| Other States | 8 | 18.7 | 1,634.21 | 162.40 | New York | 9 | 1.0 | 68.63 | 68.63 |
| Foreign ⁷ | 0 | 0.0 | 11.62 | 11.62 | North Carolina | 3 | 0.1 | 18.83 | 18.78 |
| United States | 12 | 41.5 | 2,914.70 | 447.04 | Oregon | 11 | 0.9 | 586.76 | 503.45 |
| DAIRY | | | | | Pennsylvania | 3 | 0.3 | 427.31 | 427.31 |
| California | 5 | 1.1 | 5,999.65 | 5,850.70 | Texas | 3 | 0.2 | 59.90 | 46.84 |
| Idaho | 3 | 0.3 | 445.50 | 445.50 | Washington | 13 | 3.8 | 772.84 | 750.52 |
| Illinois | 4 | 2.5 | 1,786.77 | 1,779.51 | Other States | 30 | 3.0 | 912.36 | 394.53 |
| Iowa | 5 | 3.7 | 1,858.81 | 1,770.98 | Foreign ⁷ | 0 | 0.1 | 223.45 | 77.98 |
| Minnesota | 25 | 10.1 | 3,947.10 | 3,842.30 | United States | 165 | 25.3 | 7,463.80 | 5,233.09 |
| New Mexico | 4 | 0.1 | 790.94 | 272.58 | GRAINS AND OILSEEDS ⁸ | | | | |
| New York | 34 | 3.7 | 2,271.56 | 1,910.46 | California | 3 | 0.4 | 23.73 | 23.73 |
| Pennsylvania | 13 | 2.4 | 1,383.52 | 1,224.91 | Colorado | 8 | 5.2 | 247.54 | 246.91 |
| Wisconsin | 25 | 17.4 | 4,896.30 | 4,602.36 | Idaho | 3 | 0.5 | 48.53 | 48.53 |
| Other States | 29 | 26.4 | 16,611.24 | 15,982.49 | Illinois | 80 | 60.5 | 4,644.51 | 4,641.36 |
| Foreign ⁷ | 0 | 0.0 | 135.39 | 135.39 | Indiana | 8 | 6.0 | 866.25 | 866.25 |
| United States | 147 | 67.9 | 40,126.78 | 37,817.18 | Iowa | 62 | 66.6 | 8,754.35 | 8,335.54 |
| FISH | | | | | Kansas | 72 | 83.4 | 2,955.85 | 2,945.61 |
| Maine | 14 | 627 | 0.90 | 0.90 | Michigan | 3 | 2.0 | 151.17 | 150.54 |
| Other States | 27 | 5,038 | 207.07 | 207.07 | Minnesota | 64 | 34.8 | 7,455.61 | 7,367.42 |
| United States | 41 | 5,665 | 207.97 | 207.97 | Mississippi | 3 | 5.1 | 332.25 | 329.23 |
| FRUITS AND VEGETABLES | | | | | Missouri | 12 | 13.5 | 1,596.86 | 1,079.10 |
| Arizona | 4 | 0.8 | 85.75 | 43.23 | Montana | 5 | 1.1 | 779.84 | 779.84 |
| California | 40 | 11.6 | 2,540.44 | 1,749.48 | Nebraska | 31 | 53.5 | 4,366.38 | 4,348.75 |
| Colorado | 3 | 0.3 | 2.99 | 2.99 | North Dakota | 79 | 23.2 | 3,750.84 | 3,749.58 |
| Florida | 18 | 1.1 | 807.08 | 333.44 | Ohio | 26 | 18.1 | 2,015.75 | 2,015.12 |
| Hawaii | 4 | 0.1 | 7.77 | 7.77 | Oklahoma | 21 | 14.3 | 310.25 | 310.25 |
| | | | | | South Dakota | 45 | 30.6 | 3,224.40 | 3,222.93 |
| | | | | | Texas | 31 | 12.8 | 788.90 | 788.90 |

(continued next page)

¹ Includes centralized and federated cooperatives and those with mixed organizational structures. Headquartered in the State listed. State factors for sales and membership not collected in 2008; 2007 factors are used on 2008 data to estimate state data.

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 2008. 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 Cotton ginning cooperatives are included as service cooperatives.

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, memberships², and gross and net sales by State, 2008³*(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 | |
| GRAINS AND OILSEEDS⁸ (continued) | | | | | TOBACCO⁷ | | | | |
| Washington | 16 | 7.8 | 649.68 | 649.68 | Tennessee | 6 | 64.0 | 5.33 | 5.33 |
| Other States | 13 | 7.2 | 3,563.25 | 3,535.31 | Other States | 5 | 1.3 | 129.96 | 129.96 |
| Foreign ⁷ | 0 | 0.0 | 787.06 | 787.06 | United States | 11 | 65.3 | 135.29 | 135.29 |
| United States | 585 | 446.5 | 47,313.00 | 46,221.64 | WOOL AND MOHAIR | | | | |
| LIVESTOCK | | | | | Idaho | 3 | 0.1 | 0.02 | 0.02 |
| Kentucky | 3 | 0.2 | 3.62 | 3.62 | Montana | 13 | 0.5 | 0.53 | 0.53 |
| North Dakota | 4 | 0.6 | 32.29 | 32.29 | North Dakota | 3 | 0.3 | 0.03 | 0.03 |
| West Virginia | 3 | 0.2 | 3.27 | 3.27 | Pennsylvania | 11 | 1.0 | 0.16 | 0.16 |
| Wisconsin | 16 | 45.8 | 417.41 | 417.41 | Virginia | 6 | 0.3 | 0.02 | 0.02 |
| Other States | 33 | 31.7 | 2,896.60 | 2,783.82 | West Virginia | 9 | 0.7 | 0.12 | 0.12 |
| United States | 59 | 78.5 | 3,353.20 | 3,240.42 | Other States | 17 | 7.1 | 4.98 | 4.98 |
| NUT | | | | | Foreign ⁷ | 0 | 0.1 | 0.09 | 0.09 |
| California | 7 | 4.1 | 728.92 | 728.92 | United States | 62 | 9.9 | 5.95 | 5.95 |
| Other States | 10 | 11.5 | 103.34 | 103.34 | OTHER MARKETING¹¹ | | | | |
| Foreign ⁷ | 0 | 0.0 | 0.00 | 0.00 | Florida | 3 | 0.0 | 33.99 | 33.99 |
| United States | 17 | 15.7 | 832.26 | 832.26 | Minnesota | 11 | 4.4 | 2,354.96 | 2,257.14 |
| POULTRY⁹ | | | | | Other States | 13 | 1.1 | 4,139.26 | 3,770.56 |
| California | 3 | 0.1 | 203.01 | 203.01 | United States | 27 | 5.5 | 6,528.20 | 6,061.69 |
| Other States | 10 | 0.4 | 1,254.24 | 1,254.24 | TOTAL MARKETING | | | | |
| United States | 13 | 0.5 | 1,457.26 | 1,457.26 | Alabama | 6 | 3.0 | 304.02 | 304.02 |
| RICE | | | | | Alaska | 5 | 3.2 | 8.38 | 8.38 |
| California | 4 | 0.8 | 259.95 | 259.95 | Arizona | 5 | 1.3 | 973.99 | 893.41 |
| Texas | 5 | 0.7 | 46.43 | 46.43 | Arkansas | 8 | 12.8 | 2,102.88 | 2,044.46 |
| Other States | 5 | 10.5 | 1,088.69 | 1,088.69 | California | 77 | 22.0 | 10,189.34 | 9,204.01 |
| United States | 14 | 12.1 | 1,395.07 | 1,395.07 | Colorado | 14 | 8.5 | 678.57 | 677.21 |
| SUGAR¹⁰ | | | | | Florida | 26 | 1.9 | 1,993.24 | 1,519.60 |
| Idaho | 6 | 1.7 | 592.76 | 8.19 | Georgia | 5 | 8.1 | 477.87 | 458.95 |
| Louisiana | 4 | 1.4 | 568.50 | 468.05 | Hawaii | 9 | 0.4 | 8.51 | 8.51 |
| Minnesota | 3 | 2.6 | 1,661.18 | 1,654.91 | Idaho | 20 | 5.6 | 1,206.40 | 621.35 |
| Wyoming | 4 | 0.4 | 37.84 | 37.84 | Illinois | 87 | 66.9 | 6,536.86 | 6,526.44 |
| Other States | 15 | 5.7 | 2,003.12 | 1,891.33 | Indiana | 11 | 8.9 | 1,760.21 | 1,724.35 |
| Foreign ⁷ | 0 | 0.1 | 31.98 | 31.98 | Iowa | 72 | 73.7 | 12,113.15 | 11,571.29 |
| United States | 32 | 11.9 | 4,895.37 | 4,092.29 | Kansas | 72 | 85.4 | 4,341.07 | 4,330.84 |
| | | | | | Kentucky | 9 | 3.9 | 452.24 | 448.74 |
| | | | | | Louisiana | 11 | 6.0 | 1,294.03 | 1,177.26 |
| | | | | | Maine | 20 | 1.5 | 135.39 | 134.82 |
| | | | | | Massachusetts | 3 | 0.4 | 356.74 | 179.21 |
| | | | | | Michigan | 24 | 8.3 | 2,683.08 | 2,552.65 |
| | | | | | Minnesota | 111 | 53.3 | 15,595.31 | 15,296.02 |
| | | | | | Mississippi | 10 | 9.6 | 872.38 | 848.30 |
| | | | | | Missouri | 18 | 20.3 | 5,498.54 | 4,963.75 |
| | | | | | Montana | 22 | 1.9 | 949.94 | 949.11 |
| | | | | | Nebraska | 38 | 56.2 | 5,901.50 | 5,881.52 |
| | | | | | New Jersey | 11 | 1.6 | 259.12 | 166.64 |
| | | | | | New Mexico | 4 | 0.4 | 829.95 | 311.59 |

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, ethanol, coffee, and other marketings not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

Table 3—Number¹ of cooperatives, memberships², and gross and net sales by State, 2008³*(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> | |
| TOTAL MARKETING (continued) | | | | | CROP PROTECTANTS¹² (continued) | | | | |
| New York | 46 | 5.0 | 2,577.60 | 2,122.91 | Montana | | | 120.41 | 83.54 |
| North Carolina | 9 | 2.8 | 383.00 | 350.70 | Nebraska | | | 485.98 | 341.69 |
| North Dakota | 93 | 27.3 | 4,919.97 | 4,901.13 | New York | | | 13.57 | 3.71 |
| Ohio | 33 | 26.5 | 3,620.51 | 3,580.29 | North Dakota | | | 350.84 | 247.90 |
| Oklahoma | 24 | 21.9 | 769.76 | 769.76 | Ohio | | | 292.38 | 162.46 |
| Oregon | 20 | 5.4 | 2,522.03 | 2,365.68 | Oklahoma | | | 49.51 | 34.52 |
| Pennsylvania | 29 | 3.7 | 1,816.26 | 1,657.65 | Oregon | | | 186.52 | 160.65 |
| South Carolina | 3 | 0.7 | 91.04 | 80.23 | Pennsylvania | | | 33.56 | 8.93 |
| South Dakota | 46 | 32.5 | 3,866.28 | 3,848.83 | South Dakota | | | 379.01 | 232.46 |
| Tennessee | 7 | 66.4 | 147.96 | 131.25 | Tennessee | | | 169.88 | 95.43 |
| Texas | 53 | 40.6 | 4,137.92 | 3,754.18 | Texas | | | 224.30 | 95.18 |
| Utah | 5 | 2.7 | 649.46 | 634.36 | Utah | | | 17.13 | 9.93 |
| Vermont | 3 | 1.3 | 501.01 | 501.01 | Virginia | | | 30.50 | 23.05 |
| Virginia | 14 | 3.6 | 494.02 | 451.63 | Washington | | | 286.79 | 253.82 |
| Washington | 38 | 13.3 | 3,463.36 | 3,427.77 | West Virginia | | | 2.93 | 2.65 |
| West Virginia | 12 | 1.0 | 19.13 | 17.18 | Wisconsin | | | 240.05 | 168.26 |
| Wisconsin | 44 | 64.0 | 7,095.49 | 6,375.21 | Wyoming | | | 3.15 | 2.08 |
| Wyoming | 5 | 0.7 | 70.69 | 70.55 | Other States | | | 121.16 | 69.27 |
| Other States | 9 | 3.2 | 900.60 | 834.88 | Foreign ⁷ | | | 36.02 | 9.05 |
| Foreign ⁷ | 0 | 0.5 | 1,262.37 | 1,098.36 | United States | | | 6,701.99 | 4,496.61 |
| United States | 1,191 | 788.3 | 116,831.18 | 109,775.97 | | | | | |
| SUPPLIES PROVIDED | | | | | FEED¹² | | | | |
| CROP PROTECTANTS¹² | | | | | Alabama | | | 96.09 | 61.56 |
| Alabama | | | 95.88 | 78.01 | Arkansas | | | 94.85 | 81.85 |
| Arkansas | | | 186.96 | 142.10 | California | | | 353.87 | 307.82 |
| California | | | 61.15 | 38.74 | Colorado | | | 114.66 | 94.63 |
| Colorado | | | 47.58 | 34.27 | Florida | | | 138.68 | 110.48 |
| Florida | | | 112.36 | 35.03 | Georgia | | | 88.62 | 71.44 |
| Georgia | | | 97.74 | 74.61 | Idaho | | | 103.40 | 80.83 |
| Idaho | | | 31.70 | 12.75 | Illinois | | | 448.35 | 415.82 |
| Illinois | | | 634.23 | 379.59 | Indiana | | | 215.04 | 189.99 |
| Indiana | | | 561.63 | 372.04 | Iowa | | | 1,859.81 | 1,710.72 |
| Iowa | | | 681.39 | 456.61 | Kansas | | | 298.68 | 272.41 |
| Kansas | | | 328.50 | 218.64 | Kentucky | | | 106.41 | 89.12 |
| Kentucky | | | 68.34 | 35.97 | Louisiana | | | 124.47 | 104.80 |
| Louisiana | | | 46.61 | 30.11 | Maryland | | | 71.60 | 55.75 |
| Maryland | | | 21.55 | 12.35 | Massachusetts | | | 17.42 | 14.03 |
| Massachusetts | | | 0.09 | 0.09 | Michigan | | | 221.89 | 194.34 |
| Michigan | | | 48.91 | 33.03 | Minnesota | | | 1,211.06 | 1,080.88 |
| Minnesota | | | 363.05 | 359.81 | Mississippi | | | 112.05 | 94.46 |
| Mississippi | | | 71.66 | 58.19 | Missouri | | | 563.00 | 430.51 |
| Missouri | | | 199.00 | 120.13 | Montana | | | 70.05 | 46.15 |
| | | | | | Nebraska | | | 442.86 | 372.02 |
| | | | | | New York | | | 96.64 | 73.43 |
| | | | | | North Dakota | | | 68.26 | 63.98 |
| | | | | | Ohio | | | 353.62 | 307.39 |
| | | | | | Oklahoma | | | 140.64 | 121.86 |

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, memberships², and gross and net sales by State, 2008³*(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> | |
| FEED¹² (continued) | | | | | FERTILIZER (continued) | | | | |
| Oregon | | | 185.16 | 142.85 | Washington | | | 559.39 | 318.43 |
| Pennsylvania | | | 124.41 | 93.80 | West Virginia | | | 16.05 | 14.35 |
| South Dakota | | | 331.97 | 279.89 | Wisconsin | | | 793.57 | 532.41 |
| Tennessee | | | 276.75 | 176.36 | Wyoming | | | 8.83 | 8.77 |
| Texas | | | 468.77 | 377.10 | Other States | | | 277.14 | 234.08 |
| Utah | | | 153.65 | 151.90 | Foreign ⁷ | | | 85.31 | 45.69 |
| Virginia | | | 197.93 | 171.86 | United States | | | 12,759.53 | 9,940.51 |
| Washington | | | 168.09 | 120.93 | | | | | |
| West Virginia | | | 38.88 | 34.35 | PETROLEUM^{12, 13} | | | | |
| Wisconsin | | | 863.68 | 732.65 | Alabama | | | 10.36 | 10.35 |
| Wyoming | | | 12.68 | 11.06 | Arkansas | | | 175.71 | 172.34 |
| Other States | | | 457.98 | 381.54 | California | | | 4.59 | 4.53 |
| Foreign ⁷ | | | 157.12 | 156.25 | Colorado | | | 866.25 | 471.12 |
| United States | | | 10,849.11 | 9,276.83 | Florida | | | 7.65 | 5.24 |
| | | | | | Georgia | | | 569.76 | 178.46 |
| FERTILIZER¹² | | | | | | | | | |
| Alabama | | | 109.60 | 105.69 | Idaho | | | 721.39 | 359.14 |
| Arkansas | | | 165.18 | 150.58 | Illinois | | | 2,854.49 | 1,905.97 |
| California | | | 218.56 | 218.56 | Indiana | | | 2,146.55 | 1,256.21 |
| Colorado | | | 79.15 | 74.47 | Iowa | | | 2,211.50 | 1,584.26 |
| Florida | | | 88.97 | 60.75 | Kansas | | | 1,696.83 | 1,128.97 |
| Georgia | | | 119.70 | 107.82 | Kentucky | | | 213.27 | 148.09 |
| Idaho | | | 13.55 | 13.54 | Louisiana | | | 13.57 | 13.38 |
| Illinois | | | 1,265.01 | 1,013.21 | Maryland | | | 275.04 | 243.64 |
| Indiana | | | 538.52 | 535.62 | Massachusetts | | | 0.02 | 0.02 |
| Iowa | | | 1,326.28 | 1,068.13 | Michigan | | | 732.05 | 298.89 |
| Kansas | | | 465.25 | 462.15 | Minnesota | | | 1,703.66 | 1,323.58 |
| Kentucky | | | 171.98 | 140.96 | Mississippi | | | 19.92 | 17.75 |
| Louisiana | | | 20.50 | 20.09 | Missouri | | | 2,058.02 | 1,457.91 |
| Maryland | | | 53.59 | 42.98 | Montana | | | 875.39 | 626.00 |
| Massachusetts | | | 28.57 | 15.51 | Nebraska | | | 1,678.30 | 1,149.78 |
| Michigan | | | 83.09 | 81.66 | New York | | | 8.00 | 5.49 |
| Minnesota | | | 1,150.90 | 910.01 | North Dakota | | | 1,359.62 | 986.36 |
| Mississippi | | | 34.60 | 33.84 | Ohio | | | 527.06 | 413.15 |
| Missouri | | | 612.00 | 451.06 | Oklahoma | | | 1,018.06 | 477.36 |
| Montana | | | 477.16 | 237.09 | Oregon | | | 744.36 | 454.55 |
| Nebraska | | | 1,111.74 | 856.40 | Pennsylvania | | | 13.06 | 10.06 |
| New York | | | 38.87 | 22.44 | South Dakota | | | 983.09 | 593.22 |
| North Dakota | | | 388.42 | 388.42 | Tennessee | | | 794.58 | 314.55 |
| Ohio | | | 518.59 | 459.25 | Texas | | | 285.45 | 266.80 |
| Oklahoma | | | 110.74 | 106.49 | Utah | | | 547.17 | 168.63 |
| Oregon | | | 516.77 | 276.70 | Virginia | | | 1,054.98 | 562.24 |
| Pennsylvania | | | 88.58 | 50.06 | Washington | | | 816.28 | 558.68 |
| South Dakota | | | 658.07 | 418.11 | West Virginia | | | 73.98 | 69.74 |
| Tennessee | | | 272.82 | 201.26 | Wisconsin | | | 1,625.58 | 1,218.12 |
| Texas | | | 121.56 | 120.22 | Wyoming | | | 650.11 | 381.87 |
| Utah | | | 28.66 | 28.63 | | | | | |
| Virginia | | | 142.28 | 115.07 | | | | | |

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

Table 3—Number¹ of cooperatives, memberships², and gross and net sales by State, 2008³*(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> | |
| PETROLEUM <i>(continued)</i> | | | | | OTHER SUPPLIES ^{12, 14} | | | | |
| Other States | | | 135.34 | 115.62 | Alabama | | | 72.54 | 69.25 |
| Foreign ⁷ | | | 796.17 | 295.21 | Arkansas | | | 93.64 | 82.29 |
| United States | | | 30,267.20 | 19,247.27 | California | | | 195.49 | 190.35 |
| | | | | | Colorado | | | 79.91 | 71.97 |
| SEED ¹² | | | | | Florida | | | 43.41 | 43.23 |
| Alabama | | | 42.94 | 27.76 | Georgia | | | 59.94 | 42.23 |
| Arkansas | | | 69.84 | 54.08 | Idaho | | | 58.14 | 48.62 |
| California | | | 25.68 | 23.35 | Illinois | | | 739.28 | 670.32 |
| Colorado | | | 14.43 | 9.78 | Indiana | | | 154.70 | 117.17 |
| Florida | | | 5.58 | 4.64 | Iowa | | | 247.97 | 232.36 |
| Georgia | | | 22.43 | 19.41 | Kansas | | | 106.46 | 98.53 |
| Idaho | | | 11.87 | 8.77 | Kentucky | | | 116.82 | 85.93 |
| Illinois | | | 362.88 | 240.05 | Louisiana | | | 19.25 | 19.14 |
| Indiana | | | 131.12 | 67.30 | Maryland | | | 39.07 | 31.84 |
| Iowa | | | 451.88 | 284.66 | Massachusetts | | | 13.40 | 11.09 |
| Kansas | | | 104.26 | 66.95 | Michigan | | | 113.72 | 97.54 |
| Kentucky | | | 47.58 | 33.45 | Minnesota | | | 326.57 | 308.92 |
| Louisiana | | | 24.16 | 13.86 | Mississippi | | | 47.76 | 46.03 |
| Maryland | | | 11.33 | 8.20 | Missouri | | | 228.56 | 173.30 |
| Massachusetts | | | 1.07 | 0.74 | Montana | | | 91.14 | 86.94 |
| Michigan | | | 21.45 | 14.35 | Nebraska | | | 142.91 | 136.67 |
| Minnesota | | | 488.44 | 291.82 | New York | | | 31.36 | 23.72 |
| Mississippi | | | 41.68 | 22.73 | North Dakota | | | 379.05 | 372.11 |
| Missouri | | | 80.91 | 61.96 | Ohio | | | 102.36 | 86.68 |
| Montana | | | 59.99 | 58.14 | Oklahoma | | | 54.73 | 46.86 |
| Nebraska | | | 201.23 | 160.91 | Oregon | | | 221.26 | 219.13 |
| New York | | | 2.84 | 1.60 | Pennsylvania | | | 23.45 | 16.47 |
| North Dakota | | | 208.77 | 110.05 | South Dakota | | | 130.50 | 125.21 |
| Ohio | | | 140.24 | 90.08 | Tennessee | | | 436.90 | 207.43 |
| Oklahoma | | | 8.94 | 7.97 | Texas | | | 116.85 | 105.58 |
| Oregon | | | 73.40 | 72.13 | Utah | | | 105.12 | 89.52 |
| Pennsylvania | | | 6.28 | 3.91 | Virginia | | | 188.28 | 173.21 |
| South Dakota | | | 274.71 | 177.73 | Washington | | | 200.64 | 166.58 |
| Tennessee | | | 115.11 | 76.74 | West Virginia | | | 34.93 | 31.65 |
| Texas | | | 53.74 | 38.09 | Wisconsin | | | 413.64 | 400.38 |
| Utah | | | 3.27 | 2.98 | Wyoming | | | 53.82 | 51.43 |
| Virginia | | | 35.46 | 29.88 | Other States | | | 264.51 | 209.23 |
| Washington | | | 85.61 | 84.25 | Foreign ⁷ | | | 363.88 | 331.52 |
| West Virginia | | | 4.82 | 4.13 | United States | | | 6,111.95 | 5,320.43 |
| Wisconsin | | | 251.01 | 175.76 | | | | | |
| Wyoming | | | 1.97 | 1.19 | SUPPLY | | | | |
| Other States | | | 51.09 | 45.55 | Alabama | 44 | 20.7 | 427.41 | 352.63 |
| Foreign ⁷ | | | 1.56 | 0.75 | Arkansas | 28 | 32.2 | 786.18 | 683.24 |
| United States | | | 3,539.55 | 2,395.71 | California | 15 | 14.8 | 859.35 | 783.35 |
| | | | | | Colorado | 16 | 20.7 | 1,201.98 | 756.25 |
| | | | | | Florida | 6 | 6.9 | 396.65 | 259.38 |
| | | | | | Georgia | 5 | 0.9 | 958.19 | 493.98 |

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, memberships², and gross and net sales by State, 2008³*(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> | |
| SUPPLY (continued) | | | | | SERVICE (continued) | | | | |
| Idaho | 7 | 10.2 | 940.03 | 523.66 | Michigan | 3 | 1.2 | 46.28 | 46.28 |
| Illinois | 43 | 70.6 | 6,304.24 | 4,624.95 | Minnesota | 4 | 8.6 | 338.90 | 338.90 |
| Indiana | 22 | 28.3 | 3,747.55 | 2,538.33 | Mississippi | 18 | 14.0 | 81.19 | 81.19 |
| Iowa | 44 | 48.1 | 6,778.84 | 5,336.74 | New York | 4 | 0.3 | 26.64 | 26.64 |
| Kansas | 23 | 24.2 | 2,999.97 | 2,247.64 | North Carolina | 3 | 0.1 | 5.48 | 5.48 |
| Kentucky | 26 | 158.4 | 724.40 | 533.51 | North Dakota | 3 | 7.7 | 58.28 | 58.28 |
| Louisiana | 18 | 5.2 | 248.56 | 201.36 | Ohio | 4 | 2.8 | 129.46 | 129.46 |
| Maryland | 10 | 68.5 | 472.17 | 394.76 | Oklahoma | 11 | 4.5 | 38.95 | 38.95 |
| Massachusetts | 3 | 2.3 | 60.58 | 41.48 | Pennsylvania | 7 | 0.2 | 5.21 | 5.21 |
| Michigan | 20 | 6.4 | 1,221.10 | 719.81 | Texas | 116 | 19.0 | 348.03 | 348.03 |
| Minnesota | 101 | 80.8 | 5,243.69 | 4,275.03 | Virginia | 3 | 7.3 | 29.16 | 29.16 |
| Mississippi | 33 | 73.3 | 327.67 | 273.01 | Washington | 3 | 1.6 | 62.59 | 62.59 |
| Missouri | 42 | 107.1 | 3,741.49 | 2,694.87 | Wisconsin | 9 | 17.4 | 114.53 | 114.53 |
| Montana | 30 | 24.4 | 1,694.14 | 1,137.85 | Other States | 24 | 29.0 | 1,822.95 | 1,822.95 |
| Nebraska | 27 | 27.6 | 4,063.02 | 3,017.47 | United States | 279 | 118.7 | 3,610.82 | 3,610.82 |
| New York | 6 | 1.4 | 191.28 | 130.39 | | | | | |
| North Dakota | 84 | 52.3 | 2,754.97 | 2,168.82 | TOTAL | | | | |
| Ohio | 12 | 12.6 | 1,934.24 | 1,519.00 | Alabama | 55 | 23.8 | 756.55 | 680.06 |
| Oklahoma | 26 | 18.9 | 1,382.61 | 795.06 | Alaska | 5 | 3.2 | 112.94 | 105.74 |
| Oregon | 12 | 22.5 | 1,927.46 | 1,326.01 | Arizona | 9 | 1.9 | 1,045.23 | 955.86 |
| Pennsylvania | 6 | 2.2 | 289.35 | 183.24 | Arkansas | 39 | 46.8 | 2,964.83 | 2,814.84 |
| South Dakota | 38 | 32.1 | 2,757.37 | 1,826.62 | California | 128 | 39.0 | 11,434.68 | 10,439.33 |
| Tennessee | 60 | 62.7 | 2,066.04 | 1,071.77 | Colorado | 31 | 29.2 | 1,942.63 | 1,490.57 |
| Texas | 37 | 27.3 | 1,270.66 | 1,002.98 | Connecticut | 5 | 0.4 | 405.95 | 402.29 |
| Utah | 5 | 3.5 | 855.00 | 451.58 | Delaware | 3 | 42.4 | 156.29 | 120.59 |
| Virginia | 36 | 133.5 | 1,649.42 | 1,075.30 | Florida | 33 | 19.3 | 2,480.02 | 1,878.57 |
| Washington | 23 | 10.3 | 2,116.79 | 1,502.69 | Georgia | 13 | 9.3 | 1,450.95 | 974.78 |
| West Virginia | 12 | 78.7 | 171.58 | 156.87 | Hawaii | 15 | 0.6 | 26.64 | 22.85 |
| Wisconsin | 67 | 74.2 | 4,187.52 | 3,227.58 | Idaho | 30 | 16.1 | 2,170.13 | 1,175.20 |
| Wyoming | 5 | 3.4 | 730.56 | 456.41 | Illinois | 131 | 137.5 | 13,390.91 | 11,689.39 |
| Other States | 11 | 115.4 | 1,307.22 | 1,055.27 | Indiana | 35 | 37.3 | 5,662.76 | 4,386.89 |
| Foreign ⁷ | 0 | 1.2 | 1,440.06 | 838.47 | Iowa | 116 | 127.9 | 19,428.18 | 17,381.48 |
| United States | 1,003 | 1,483.9 | 70,229.33 | 50,677.36 | Kansas | 96 | 109.6 | 7,588.93 | 6,778.27 |
| | | | | | Kentucky | 36 | 164.0 | 1,182.60 | 993.36 |
| | | | | | Louisiana | 40 | 11.7 | 1,560.09 | 1,402.18 |
| | | | | | Maine | 22 | 5.6 | 202.00 | 200.40 |
| | | | | | Maryland | 14 | 69.9 | 918.49 | 783.55 |
| | | | | | Massachusetts | 8 | 3.1 | 418.23 | 223.14 |
| | | | | | Michigan | 47 | 15.9 | 3,954.92 | 3,342.97 |
| | | | | | Minnesota | 216 | 142.6 | 21,295.43 | 20,055.30 |
| | | | | | Mississippi | 61 | 96.9 | 1,283.28 | 1,211.28 |
| | | | | | Missouri | 61 | 128.1 | 9,476.36 | 7,939.55 |
| | | | | | Montana | 52 | 26.3 | 2,665.91 | 2,110.70 |
| | | | | | Nebraska | 67 | 83.8 | 10,256.36 | 9,169.87 |
| | | | | | New Jersey | 12 | 1.6 | 340.88 | 221.36 |
| | | | | | New Mexico | 7 | 0.6 | 887.12 | 350.86 |
| | | | | | New York | 56 | 6.7 | 2,916.22 | 2,296.58 |
| | | | | | North Carolina | 14 | 71.6 | 921.21 | 786.74 |

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

Table 3—Number¹ of cooperatives, member-ships², and gross and net sales by State, 2008³ (Continued)

| State | Head- quartered in State | Member- ships | Business volume | |
|--------------------------|--------------------------------|------------------|--------------------|------------------|
| | | | Gross ⁴ | Net ⁵ |
| | Number | Thousands | Millions | |
| TOTAL (continued) | | | | |
| North Dakota | 180 | 87.3 | 7,799.04 | 7,180.27 |
| Ohio | 49 | 41.9 | 5,725.77 | 5,266.92 |
| Oklahoma | 61 | 45.4 | 2,209.30 | 1,615.48 |
| Oregon | 33 | 28.1 | 4,482.11 | 3,744.66 |
| Pennsylvania | 42 | 6.1 | 2,111.61 | 1,859.58 |
| South Carolina | 4 | 0.9 | 230.29 | 202.07 |
| South Dakota | 84 | 70.6 | 6,766.86 | 5,822.45 |
| Tennessee | 68 | 130.8 | 2,250.95 | 1,244.83 |
| Texas | 206 | 86.9 | 5,812.63 | 5,142.46 |
| Utah | 12 | 7.5 | 1,529.22 | 1,113.78 |
| Vermont | 3 | 1.3 | 535.78 | 535.34 |
| Virginia | 53 | 144.5 | 2,175.16 | 1,567.45 |
| Washington | 64 | 25.1 | 5,658.14 | 5,029.50 |
| West Virginia | 24 | 79.7 | 191.14 | 175.73 |
| Wisconsin | 120 | 155.6 | 11,471.83 | 9,788.25 |
| Wyoming | 10 | 4.1 | 807.66 | 532.77 |
| Other States | 3 | 0.8 | 117.81 | 110.19 |
| Foreign ⁷ | 0 | 1.7 | 2,702.43 | 1,950.98 |
| United States | 2,473 | 2,390.9 | 191,874.42 | 165,267.25 |

ber'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. A member's business with the cooperative, therefore, 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, memberships in service and marketing cooperatives decreased at about twice the rate of memberships in supply cooperatives. Memberships in marketing cooperatives dropped 511,000 (40 percent) and service cooperatives had a decline of 40,000 (25 percent), while memberships in supply cooperatives decreased 231,000 (13 percent).

Employees

Cooperatives had an estimated 124,000 full-time employees in 2008, a decrease of about 730 from 2007 (Table 4), but far less than the peak of 176,665

in 2000. Supply cooperatives had an increase of 1,200 employees, marketing cooperatives decreased 1,800, while employee numbers at service cooperatives declined by almost 200.

Cooperatives employ full-time and, in most cases, part-time and seasonal employees to run their operations. Their number and type depends on a number of factors, such as size of operation, type of commodity handled, and involvement in value-added activities.

In 2008, cooperatives employed an estimated 178,000 full-time and part-time and seasonal employees (Table 5), down 2,000 from 2007. Among marketing cooperatives, those primarily handling fruits and vegetables had the most employees (30,000), followed by dairy (27,000), then grains and oilseeds (26,000).

By type, marketing cooperatives had 108,000 full-time and part-time and seasonal employees (61 percent of total); supply cooperatives had 61,000 (34 percent); and service cooperatives had 9,000 (5 percent).

Figure 4 shows the number of full-time and part-time and seasonal employees by type of cooperative for 2008. Supply, fruit and vegetable, dairy, and grain and oilseed cooperatives used the most employees; fish cooperatives the fewest. Rice, dairy, and cotton cooperatives had the smallest proportion of part-time and seasonal employees to total employees. Cotton ginning cooperatives had more than half of their employees as part-time and seasonal employees, while over 45 percent of employees for fruit and vegetable and sugar were part-time and seasonal.

Cooperatives used 54,000 part-time and seasonal employees in 2008, down about 2,500, or 4 percent, from 2007. Much of the decrease was in fruit and vegetable cooperatives.

In 2008, marketing cooperatives reported 33,000 part-time and seasonal employees, or 61 percent of that type of worker used. Marketing cooperatives averaged 28 part-time and seasonal employees per cooperative. Fruit and vegetable cooperatives, with about 15,000, accounted for about 27 percent of all part-time and seasonal employees used by cooperatives. Supply cooperatives had about 17,000 part-time and seasonal employees, an average of 16 per cooperative.

Figure 3—Cooperative Memberships by Function, 1999-2008

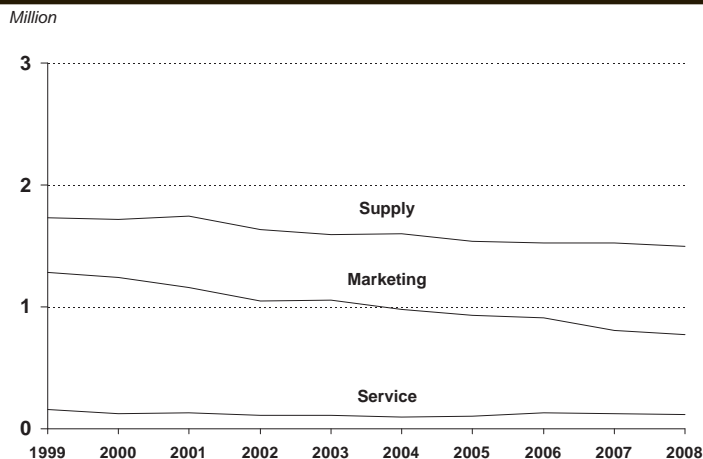


Figure 4—Full-Time and Part-Time and Seasonal Employees, by Cooperative Type, 2008

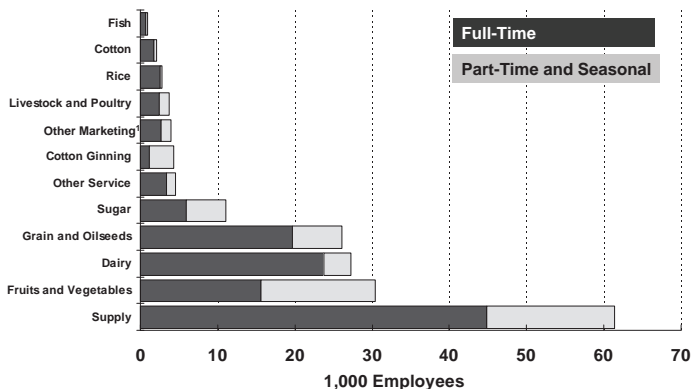
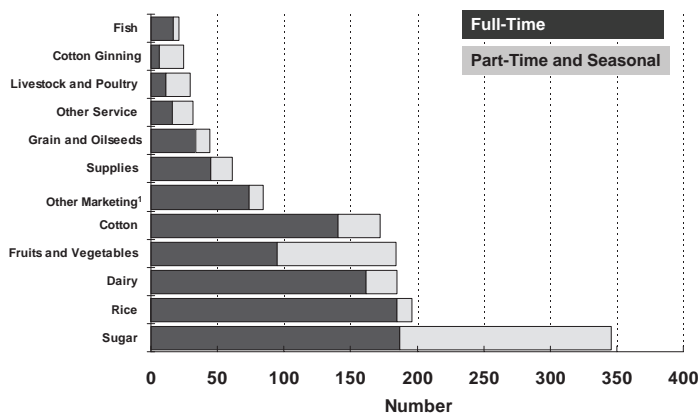


Figure 5—Average Full-Time and Part-Time and Seasonal Employees, 2008



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

Most types of marketing cooperatives operated with more employees than did supply cooperatives. For example, sugar cooperatives averaged 346 employees; rice, 196; fruit and vegetable, 184; while supply cooperatives averaged 61 (Figure 5).

Business Size

Most cooperatives, as measured by annual gross business volume, 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 2002 to 2008, there were 969 fewer cooperatives with less than \$25 million in sales, while there were 302 cooperatives that moved up into the sales group of more than \$25 million in sales. The sales group of \$100 to \$199.9 million had the most growth, increasing from 52 cooperatives in 2002 to 176 in 2008 (Table 6).

In 2008, 57 percent of all cooperatives reported a business volume of less than \$15 million. However, they accounted for less than 4 percent of the total gross dollar volume (Figure 6). Less than 6 percent of farmer cooperatives reported a business volume of at least \$200 million, but they accounted for 72 percent of the total sales.

Business Volume

Total gross business volume of the 2,473 marketing, supply, and service cooperatives for 2008 was \$191.9 billion (table 7), up 31 percent from \$146.5 billion in 2007. Gross business volume fell from the record \$128 billion in 1996 to \$112 billion in 2002; however, this has not been a steady decline—some years

saw increases to over \$120 billion while other years fell to \$115 billion or less (Appendix Table 3, Appendix Figure 4). Much of the volume increase between 2007 and 2008 can be attributed to higher grain, oilseed, dairy prices, as well as higher energy costs.

Gross dollar volume of products marketed by cooperatives increased about \$24 billion, from \$93 billion in 2007 to \$117 billion in 2008 (25 percent). Dairy cooperatives had a \$2.5 billion increase in sales due to higher prices while grain and oilseed cooperatives increased sales \$18.5 billion, again from higher prices. Gross volume of all supplies handled by cooperatives was \$70 billion, up 42 percent from \$49 billion in 2007, with the increase mainly due to higher energy and ingredient prices.

Total net business volume of cooperatives in 2008 was \$165.3 billion—\$110 billion from products marketed, \$51 billion from supply sales, and \$5 billion from services performed and other income sources. The total net figure, which excludes inter-cooperative business, was up 29 percent from \$127.8 billion in 2007. The \$165.3 billion was a record net business volume—surpassing \$127.8 billion in 2007 by \$38 billion (Appendix Table 4, Appendix Figure 5). There have been a number of fluctuations in net business volume. It dropped to around \$100 billion in 1999 and stayed there except for the current upward trend that started in 2003, and really took off due to increased grain and oilseed prices and energy costs in 2007 and 2008. Adjusted for inflation² where 1991 = 100, net business volume totaled \$99 billion in 1999 and

²Marketing sales was deflated by the index of producer prices received for “all farm products” (1991 = 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 (1991 = 100).

Figure 6—Distribution of Cooperatives and Volume, by Size, 2008

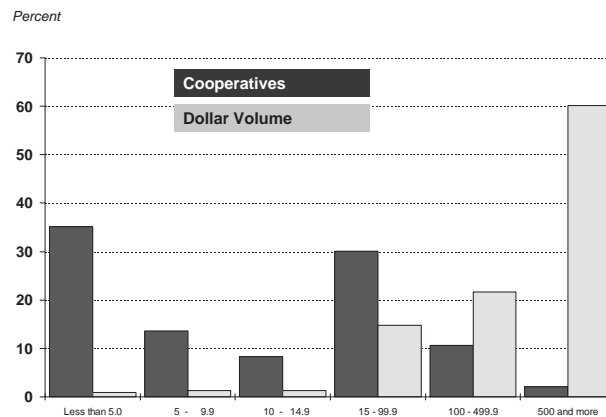
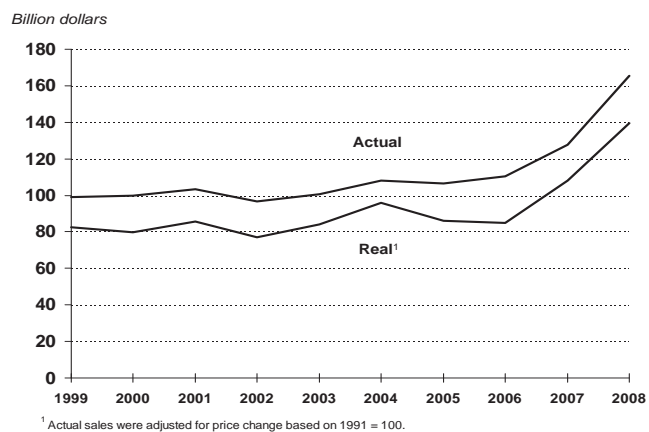


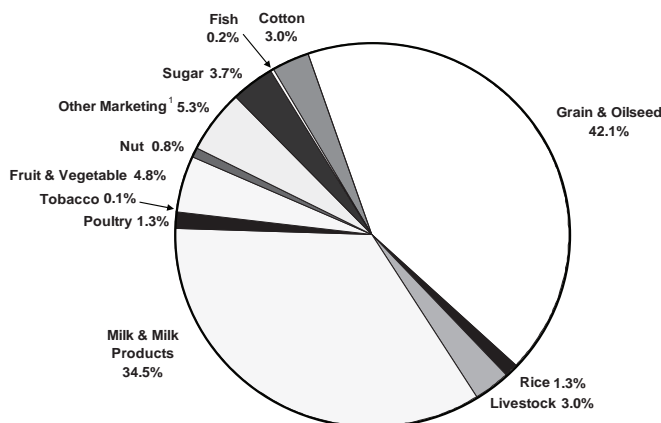
Figure 7—Cooperatives’ Net Business Volume, Actual and Adjusted, 1999-2008



increased to \$165 billion in 2008 (Figure 7). The difference between actual and real net business volume in 2008 was \$25 billion. The real net business volume was lower than the actual value in 2008 due to prices paid for production inputs increasing more than prices received for farm products. The index for prices received for all farm commodities from 1999 to 2008 rose 49 points, while the index for prices paid for farm production items increased 62 points, hence the gap between actual and real cooperative net business volume when adjusted by prices paid and prices received for farm production.

Net volume of products marketed increased from 2007, from \$85 billion to \$110 billion—an increase of 29 percent. Net marketing business volume ac-

Figure 8—Relative Importance of Products Marketed by Cooperatives, 2008



Percentages are based on a total net marketing business volume of \$109.1 billion.
¹ Includes wool and mohair, dry beans and peas, and other product marketing.

counted for 66 percent of total cooperative sales in 2008, up 2 points from 2007.

Figure 8 illustrates the leading products marketed by cooperatives based on net marketing business volume. Grains and oilseeds led with 42 percent, followed by dairy (milk and milk products) with 35 percent, and fruit and vegetable with 5 percent.

Net supply volume of \$51 billion, up 32 percent from \$38 billion, accounted for 31 percent of the total net business volume. The leading production goods handled by cooperatives in terms of supply net business volume were petroleum, 38 percent; fertilizer, 20 percent; and feed, 18 percent (Figure 9). Petroleum sales increased by more than \$4 billion over 2007 sales while fertilizer, feed, and crop protectants all increased by more than \$1 billion.

Receipts for services provided by marketing, supply, and service cooperatives, plus other income, increased 16 percent to \$4.8 billion. Service receipts and other income represented 3 percent of total net business volume.

Marketing sales of four major commodity groups—dairy, grains and oilseeds, fruits and vegetables, and

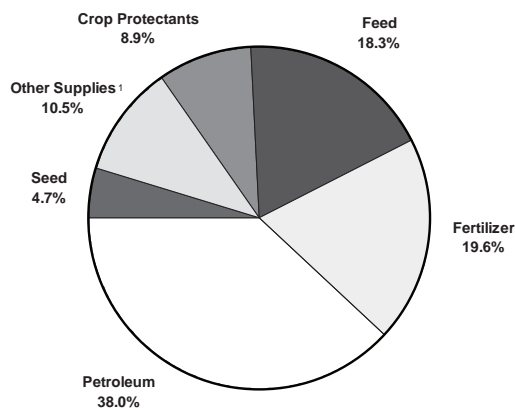
livestock—were up slightly from 83 percent of marketing sales in 1999 to 84 percent in 2008 (Figure 10). Dairy sales were up \$12 billion from 1999 while grains and oilseeds sales were up \$29 billion. Net volume among commodity groups was highest in 2008 for grains and oilseeds with \$46 billion (\$17 billion in 1999), followed by dairy. Grains and oilseeds, dairy, rice, and sugar had the highest ever net sales.

In the supply group, feed and fertilizer were important farm inputs (Figure 11) but petroleum was especially important with sales equal to the combined feed and fertilizer amounts. With the large price increase of petroleum, its share of supply sales increased from 27 percent in 1999 to 38 percent

in 2008. The combination of petroleum, feed, and fertilizer sales accounted for 76 percent of cooperatives' total supply sales in 2008 and 68 percent in 1999. In 2008, the sales of all major supplies increased and were the highest net sales ever for each one.

Gross and net business volume by State are presented in Table 3. Sales are allocated to the State in which the product marketed was originated and the farm supplies were sold. Minnesota led all States

Figure 9—Relative Importance of Supplies Handled by Cooperatives, 2008



Percentages are based on a total net supply business volume of \$50.6 billion.

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

in total gross and net business volume with \$21.3 billion and \$20.1 billion, respectively, followed by Iowa with \$19.4 billion in gross business and \$17.4 billion in net 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 relationship. Combined assets for all cooperatives totaled \$69 billion in 2008, almost \$12 billion higher than 2007 (Table 8). Total assets of cooperatives, excluding inter-cooperative investments, increased by \$12 billion to \$65 billion. Cooperatives’ total assets grew from \$48 billion in 1999 to \$69 billion in 2008 (Appendix Table 5 and Figure 12). Most of this growth occurred between 2007 and 2008. Although CP does not collect statistics on inventories and receivables, most of the \$12 billion in asset growth occurred in current assets, of which inventory and receivables are components. As the financial records of cooperatives were analyzed this year, it was evident that inventories and receivables remained as high as in 2007, especially in grain and oilseed cooperatives, reflecting the large increase in prices of grains and oilseeds.

In 1999, \$5.4 billion (11 percent of total assets) was invested in other cooperatives, including CoBank, and this peaked at \$5.5 billion in 2002. In 2008, these investments were \$4.2 billion, down \$1.2 billion from 1999, and at 6 percent of total assets, 5 points lower than a decade ago.

Of the \$69 billion in total assets, marketing cooperatives accounted for \$43 billion, up \$6 billion from 2007. Dairy and grain and oilseed cooperatives both had over \$12 billion in assets, more than 3 times the assets of

any other type of marketing cooperative, but both have less than the more than \$22 billion in assets of supply cooperatives.

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 percent of total assets, which allows comparison between different sizes and types of cooperatives.

Figure 10—Cooperatives’ Net Sales of Selected Commodities, 1999-2008

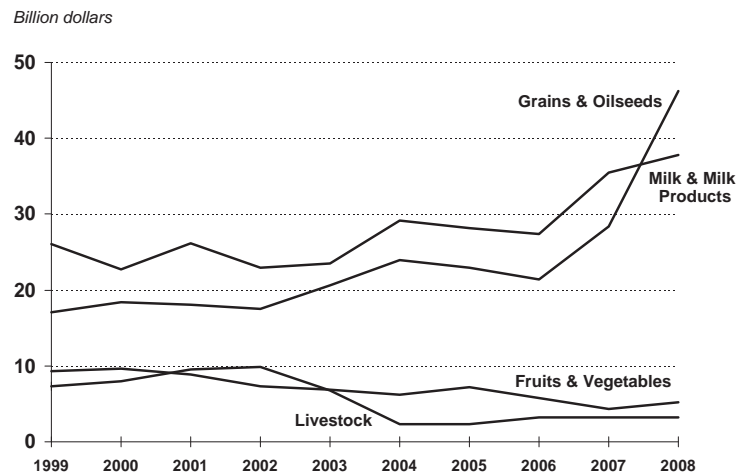


Figure 11—Cooperatives’ Net Sales of Selected Supplies, 1999-2008

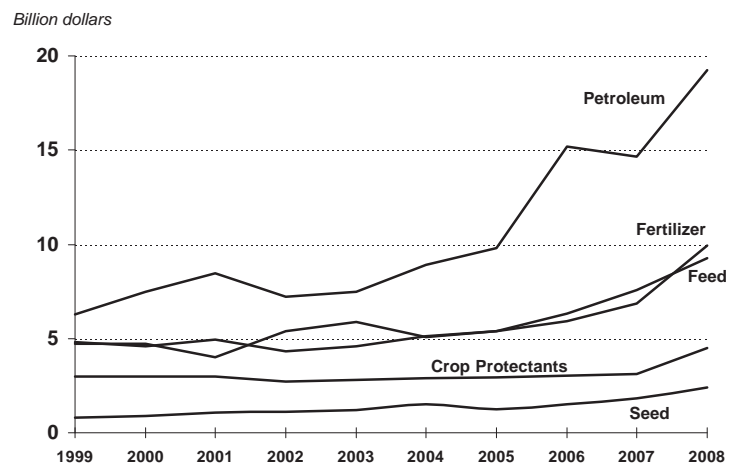


Table 4—Cooperatives' number of full-time employees, 2008-2004

| Commodity | 2008 | 2007 | 2006 | 2005 | 2004 |
|---------------------|------------------|-------|-------|-------|-------|
| | <i>Thousands</i> | | | | |
| Cotton | 1.7 | 1.6 | 1.7 | 1.8 | 1.7 |
| Dairy | 23.8 | 23.6 | 22.9 | 24.4 | 24.0 |
| Fish | 0.7 | 0.7 | 0.7 | 0.7 | 0.7 |
| Fruits & vegetables | 15.7 | 14.2 | 13.4 | 13.5 | 14.3 |
| Grains & oilseeds | 19.7 | 18.3 | 17.4 | 17.6 | 17.5 |
| Livestock & poultry | 2.4 | 2.3 | 2.4 | 1.9 | 20.6 |
| Rice | 2.6 | 2.6 | 2.6 | 2.4 | 2.5 |
| Sugar | 6.0 | 7.5 | 6.6 | 6.8 | 7.1 |
| Other marketing | 2.6 | 6.1 | 6.6 | 6.5 | 7.1 |
| Total marketing | 75.1 | 76.9 | 74.3 | 75.5 | 95.3 |
| Total supply | 44.8 | 43.6 | 44.4 | 46.0 | 49.7 |
| Service | 4.5 | 4.7 | 4.7 | 3.9 | 4.4 |
| Total | 124.4 | 125.2 | 123.4 | 125.4 | 149.5 |

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 65 percent for all sizes of cooperatives, up from 60 percent in 2007. Smaller cooperatives, especially service, most sugar, ethanol, and cotton ginning cooperatives, had smaller levels of current assets. Grain and oilseed, 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, while other assets is a catch-all account in this study and contained a wide variety of items. Investments plus other assets ranged from 17 percent for small cooperatives down to 14 percent for large cooperatives. Investments were larger for supply cooperatives than most marketing cooperatives. All but the largest supply cooperatives generally purchase

their inputs from regional supply cooperatives, hence the large investments in other cooperatives. Large dairy, large fresh fruit and vegetable, service, cotton, fish, poultry, nut, tobacco, and large livestock cooperatives all had low investments—often less than 4 percent.

Property, Plant, and Equipment

Net property, plant, and equipment (net PP&E) are tangible assets used in the cooperative's operations. By size, PP&E was between 20 and 28 percent of total assets. Ethanol, medium sugar, small cotton ginning, small fish, small tobacco, and service 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 will probably be 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 31 percent of total assets and grew to 51 percent for larger cooperatives. Product marketing cooperatives tended to have higher levels of current liabilities than supply and cotton ginning cooperatives.

Figure 12—Cooperatives' Assets, Liabilities, and Net Worth, 1999-2008

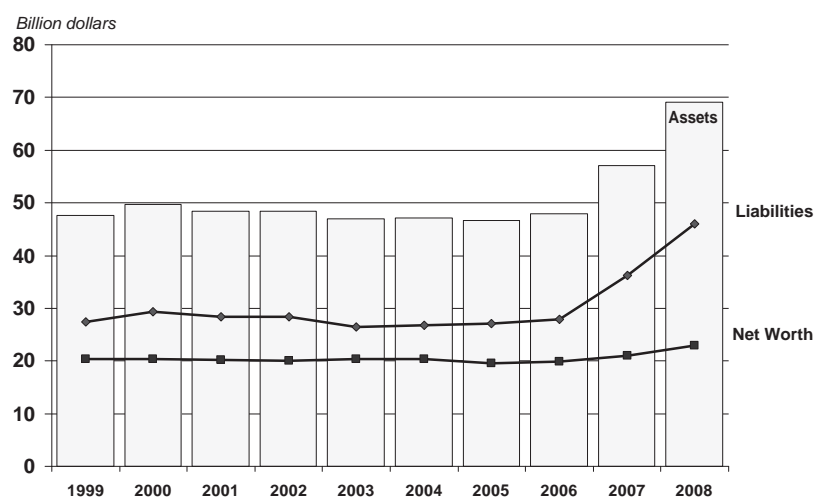


Table 5—Full-time and part-time and seasonal employees of cooperatives, by cooperative type, 2008-2007¹

| Principal product(s) marketed or major function | Total employees | | Full-time | | Part-time & seasonal | |
|---|------------------|-------|-----------|-------|----------------------|------|
| | 2008 | 2007 | 2008 | 2007 | 2008 | 2007 |
| Products marketed | <i>Thousands</i> | | | | | |
| Cotton | 2.1 | 2.1 | 1.7 | 1.6 | 0.4 | 0.5 |
| Dairy | 27.2 | 26.6 | 23.8 | 23.6 | 3.4 | 3.0 |
| Fish | 0.9 | 0.9 | 0.7 | 0.7 | 0.2 | 0.2 |
| Fruit and vegetable | 30.4 | 30.7 | 15.7 | 14.2 | 14.7 | 16.6 |
| Grain and oilseed | 26.1 | 24.2 | 19.7 | 18.3 | 6.4 | 6.0 |
| Livestock and poultry | 3.7 | 3.5 | 2.4 | 2.3 | 1.3 | 1.1 |
| Rice | 2.7 | 2.9 | 2.6 | 2.6 | 0.2 | 0.3 |
| Sugar | 11.1 | 12.0 | 6.0 | 7.5 | 5.1 | 4.4 |
| Other marketing ² | 4.0 | 8.6 | 2.6 | 6.1 | 1.3 | 2.5 |
| Marketing | 108.1 | 111.6 | 75.1 | 76.9 | 33.0 | 34.7 |
| Supply | 61.3 | 58.6 | 44.8 | 43.6 | 16.5 | 14.9 |
| Service | 8.8 | 11.3 | 4.5 | 4.7 | 4.3 | 6.6 |
| Total | 178.2 | 181.4 | 124.4 | 125.2 | 53.8 | 56.2 |

¹ Totals may not add due to rounding.

² Includes dry edible bean and pea, nut, tobacco, wool, and other product marketing cooperatives.

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 8 percent of their assets financed through long-term debt. The largest cooperatives used the most debt, financing 20 percent of their assets. Nut, cotton, large fruit and vegetable, medium livestock, medium fish, and large and medium sugar cooperatives all financed about 20 percent of their assets with long-term debt.

Total liabilities were \$46 billion, up \$10 billion from 2007 (Table 10). Cooperatives' total liabilities grew from \$27 billion in 1999 to \$46 billion in 2008. Total liabilities financed 67 percent of total assets in 2008, up 4 points from 2007.

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 23 percent of ownership of all sizes of cooperatives. The very largest had the smallest percentages of both retained earnings and overall equity.

Net worth, or member and patron equity, was \$23 billion, up \$2 billion from 2007. The proportion of total assets financed by member and patron equity was 33 percent, down 4 points from 2007. Net worth for all marketing cooperatives totaled \$13 billion, up \$1 billion from 2007. Marketing cooperatives accounted for 56 percent of farmer cooperatives' combined net worth, down 2 points from 2007. Net worth for supply cooperatives

totaled \$9.5 billion and was 41 percent of the total. For marketing cooperatives, the highest percentage of total assets represented by net worth shown in Figure 13, 51 percent, was for other marketing cooperatives. The lowest, 26 percent, was dairy, cotton, and grain and oilseed cooperatives.

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, broken out into six different sizes. Each item in a common-size income statement is represented as a percent of total sales or service. Common-size income statements by cooperative type and size are presented in Appendix Table 6.

Table 6—Cooperatives and memberships, by gross business volume, 2008¹

| Sales volume group (million \$) | Cooperatives | | Dollar volume | | Memberships ² | |
|---------------------------------|--------------|------------------|---------------------------------|------------------|--------------------------|------------------|
| | Number | Percent of total | Gross ³ (million \$) | Percent of total | Number (1,000) | Percent of total |
| Less than 5.0 | 870 | 35.2 | 1,731 | 0.9 | 291 | 12.2 |
| 5 - 9.9 | 338 | 13.7 | 2,504 | 1.3 | 202 | 8.4 |
| 10 - 14.9 | 204 | 8.2 | 2,525 | 1.3 | 108 | 4.5 |
| 15 - 24.9 | 248 | 10.0 | 4,915 | 2.6 | 176 | 7.4 |
| 25 - 49.9 | 307 | 12.4 | 10,349 | 5.4 | 288 | 12.1 |
| 50 - 99.9 | 190 | 7.7 | 12,967 | 6.8 | 171 | 7.2 |
| 100 - 199.9 | 176 | 7.1 | 18,622 | 9.7 | 377 | 15.7 |
| 200 - 499.9 | 88 | 3.6 | 22,938 | 12.0 | 176 | 7.4 |
| 500 - 999.9 | 30 | 1.2 | 21,135 | 11.0 | 84 | 3.5 |
| 1,000 and more | 22 | 0.9 | 94,189 | 49.1 | 517 | 21.6 |
| Total ⁴ | 2,473 | 100.0 | 191,874 | 100.0 | 2,391 | 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.

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.

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 fruit and vegetable

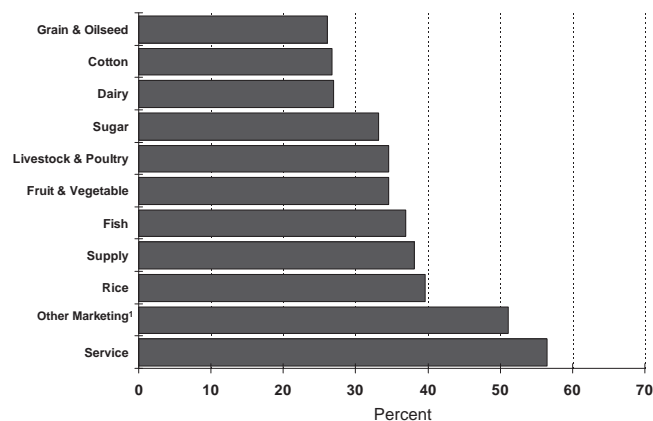
cooperatives, and larger sugar cooperatives have a lower COGS. Grain and oilseed and most dairy cooperatives have a COGS in excess of 90 percent, while large livestock and tobacco marketing cooperatives that operate mainly as auctions have a COGS of 99 percent.

Gross Margin

The excess of net sales over the cost of goods sold is the gross margin or gross margin percentage, and it is an important operating ratio. A small change in the gross margin can tremendously 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

Figure 13—Percentage of Assets Financed by Net Worth, by Cooperative Type, 2008



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

Table 7—Cooperatives' gross and net business volumes by commodity, 2008 & 2007¹

| Commodity | Gross volume | | Net volume | |
|---|----------------|----------------|----------------|----------------|
| | 2008 | 2007 | 2008 | 2007 |
| <i>Billion \$</i> | | | | |
| Products marketed: | | | | |
| Beans & peas (dry edible) | .202 | .124 | .191 | .118 |
| Cotton | 3.507 | 3.114 | 3.332 | 1.786 |
| Dairy | 40.127 | 37.670 | 37.817 | 35.490 |
| Fish | .208 | .206 | .208 | .206 |
| Fruits & vegetables | 7.464 | 6.862 | 5.233 | 4.293 |
| Grains & oilseeds ² | 47.313 | 28.838 | 46.222 | 28.349 |
| Livestock | 3.353 | 3.383 | 3.240 | 3.215 |
| Nuts | .832 | .804 | .832 | .804 |
| Poultry ³ | 1.457 | 1.360 | 1.457 | 1.360 |
| Rice | 1.395 | 1.116 | 1.395 | 1.116 |
| Sugar | 4.895 | 4.904 | 4.092 | 3.998 |
| Tobacco | .135 | .105 | .135 | .105 |
| Wool & mohair | .006 | .006 | .006 | .006 |
| Other marketing ⁴ | 5.936 | 4.629 | 5.615 | 4.506 |
| Total marketing | 116.831 | 93.120 | 109.776 | 85.352 |
| Supplies purchased: | | | | |
| Crop protectants | 6.702 | 3.717 | 4.497 | 3.140 |
| Feed | 10.849 | 8.645 | 9.277 | 7.575 |
| Fertilizer | 12.760 | 7.686 | 9.941 | 6.844 |
| Petroleum | 30.267 | 21.616 | 19.247 | 14.662 |
| Seed | 3.540 | 2.815 | 2.396 | 1.819 |
| Other supplies ⁵ | 6.112 | 4.844 | 5.320 | 4.255 |
| Total supplies | 70.229 | 49.322 | 50.677 | 38.296 |
| Services & other income ⁶ | 4.814 | 4.133 | 4.814 | 4.133 |
| Total business | 191.874 | 146.575 | 165.267 | 127.781 |

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 marketing, whereas cottonseed meal is included in feed.

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

⁴ Includes 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 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, cotton ginning, 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.

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 four points higher for the very largest cooperatives than for the other sizes. As discussed earlier in COGS, those cooperatives with a low COGS would have high gross margins.

Service and Other Operating Income

Service and other operating income is that derived from any service these cooperatives provided. Some cooperatives only provide services, such as rice driers, cotton gins, storage and transportation, locker plants, pest management and scouting, and other miscellaneous services. Service income is important to marketing and supply cooperatives. They provide hauling, storage, grading, delivery, custom application, record keeping, and drying, to name some of the most common. 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 the most important for smaller cooperatives (15 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 mainly service income and limited sales, hence service income ranges from 19 percent to 63 percent of sales for these cooperatives.

Operating Expenses

There are only four accounts for expenses in Table 9: wages, depreciation, interest, and all other. The wage account includes all employee expenses, some of which are salaries and wages, payroll taxes, employee insurance, unemployment compensation, and pension expense. The all other account would include administrative expenses, which are over-

Table 8—Combined assets of cooperatives, 2008¹

| 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 | 1.744 | .018 | 1.761 | 1.0 |
| Dairy | 147 | 12.315 | .181 | 12.496 | 1.4 |
| Fruits & vegetables | 165 | 3.998 | .104 | 4.103 | 2.5 |
| Grains & oilseeds | 585 | 15.957 | 1.077 | 17.034 | 6.3 |
| Livestock & poultry | 72 | .627 | .017 | .644 | 2.6 |
| Rice | 14 | .693 | .003 | .696 | 0.4 |
| Sugar | 32 | 3.023 | .091 | 3.114 | 2.9 |
| Other marketing ⁴ | 123 | 3.062 | .050 | 3.112 | 1.6 |
| Total marketing | 1,191 | 41.419 | 1.540 | 42.960 | 3.6 |
| Total supply | 1,003 | 22.411 | 2.557 | 24.968 | 10.2 |
| Service | 279 | 1.048 | .093 | 1.142 | 8.2 |
| Total | 2,473 | 64.879 | 4.191 | 69.070 | 6.1 |

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 beans and peas, fish, nuts, tobacco, wool, and other marketing.

head costs associated with a cooperative and indirectly related to revenue production. These include professional services, office supplies, telephone, meetings and travel, donations, dues and subscriptions, directors' fees and expense, and annual meetings. The all other account would also include general expenses, which are directly related to revenue production, 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.

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 over 35 percent of sales, those of smaller cotton ginning cooperatives averaged over 19 percent of sales. Dairy, grain and oilseed and smaller and larger livestock marketing (auctions), ethanol, and smaller sugar cooperatives had lower wage expenses relative to sales.

Depreciation expenses did not change much with cooperative size; their range was just over 1 percentage point, ranging from 2 percent for the smallest cooperatives to 1 percent for the largest. Service cooperatives and smaller cotton ginning cooperatives had depreciation expenses of at least 5 percent of sales. Most livestock cooperatives had little PP&E, so depreciation expenses were low: less than 1 percent.

Interest expenses were relatively minor for all sizes of cooperatives, comprising less than 1 percent of total sales. Mixed grain marketing cooperatives had some of the highest interest expenses, all averaged in excess of 1 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.

Table 9—Common size analysis by cooperative size, 2008

| 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 | 65.19 | 63.59 | 69.92 | 64.93 | 57.40 | 54.64 |
| Other Assets | 7.74 | 11.34 | 3.34 | 3.61 | 6.68 | 9.72 |
| Investments | 6.04 | 4.13 | 6.70 | 9.53 | 12.81 | 7.78 |
| PP&E ¹ (net) | 21.02 | 20.94 | 20.04 | 21.93 | 23.11 | 27.86 |
| Total Assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current Liabilities | 51.18 | 49.06 | 56.91 | 52.41 | 39.78 | 30.78 |
| Total Liabilities | 66.82 | 69.37 | 69.09 | 60.62 | 48.76 | 41.61 |
| Allocated Equity | 22.63 | 23.26 | 17.81 | 24.60 | 33.64 | 43.74 |
| Retained Earnings | 10.56 | 7.37 | 13.10 | 14.78 | 17.61 | 14.56 |
| Total Equity | 33.18 | 30.63 | 30.91 | 39.38 | 51.24 | 58.39 |
| 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 | 91.15 | 92.59 | 88.83 | 89.35 | 87.02 | 84.59 |
| Gross Margin | 8.85 | 7.41 | 11.17 | 10.65 | 12.98 | 15.41 |
| Service and other income | 1.60 | 0.68 | 2.08 | 3.32 | 7.47 | 14.66 |
| Gross Revenue | 10.46 | 8.09 | 13.25 | 13.97 | 20.44 | 30.06 |
| Expenses | | | | | | |
| Wages | 3.86 | 2.99 | 4.73 | 5.24 | 8.18 | 11.74 |
| Depreciation | 0.87 | 0.67 | 1.13 | 1.16 | 1.55 | 2.09 |
| Interest | 0.66 | 0.46 | 1.11 | 0.84 | 0.78 | 0.81 |
| Other | 3.44 | 2.59 | 4.27 | 4.78 | 7.50 | 12.57 |
| Total Expenses | 8.82 | 6.70 | 11.23 | 12.02 | 18.01 | 27.21 |
| Net operating margins | 1.64 | 1.39 | 2.01 | 1.95 | 2.43 | 2.86 |
| Patronage Income | 0.46 | 0.15 | 0.77 | 1.10 | 1.54 | 1.39 |
| Non-operating income | 0.49 | 0.37 | 0.80 | 0.50 | 0.93 | 0.25 |
| Net Income Before Taxes | 2.59 | 1.91 | 3.59 | 3.55 | 4.90 | 4.81 |
| Taxes | 0.27 | 0.19 | 0.43 | 0.36 | 0.24 | 0.25 |
| Net Income | 2.32 | 1.72 | 3.16 | 3.19 | 4.66 | 4.56 |
| Ratios | | | | | | |
| | <i>Percent or number</i> | | | | | |
| Current | 1.27 | 1.30 | 1.23 | 1.24 | 1.44 | 1.78 |
| Debt to asset | 0.67 | 0.69 | 0.69 | 0.61 | 0.49 | 0.42 |
| Debt to equity | 2.01 | 2.26 | 2.24 | 1.54 | 0.95 | 0.71 |
| Times interest earned | 4.93 | 5.19 | 4.23 | 5.22 | 7.33 | 6.93 |
| Total asset turnover | 2.71 | 3.21 | 2.16 | 2.28 | 1.95 | 1.48 |
| Fixed asset turnover | 12.90 | 15.31 | 10.80 | 10.41 | 8.42 | 5.32 |
| Gross profit margin | 8.85 | 7.41 | 11.17 | 10.65 | 12.98 | 15.41 |
| Return on assets | 8.80 | 7.58 | 10.16 | 10.02 | 11.06 | 8.32 |
| Return on member equity | 27.81 | 23.70 | 38.35 | 29.58 | 26.99 | 15.43 |

¹(Property, plant, and equipment)

Table 10—Combined balance sheet data of cooperatives, 2008¹

| Principal product(s) marketed and major function | Co-ops | Total assets | Total liabilities | Net worth |
|--|--------|-----------------|-------------------|-----------|
| Products marketed: | No. | Billion dollars | | |
| Cotton | 12 | 1.76 | 1.29 | .47 |
| Dairy | 147 | 12.50 | 9.12 | 3.37 |
| Fruits & vegetables | 165 | 4.10 | 2.68 | 1.42 |
| Grains & oilseeds | 585 | 17.03 | 12.58 | 4.45 |
| Livestock & poultry | 72 | .64 | .42 | .22 |
| Rice | 14 | .70 | .42 | .28 |
| Sugar | 32 | 3.11 | 2.08 | 1.03 |
| Other marketing ² | 123 | 3.11 | 1.53 | 1.58 |
| Total marketing | 1,191 | 42.96 | 30.13 | 12.83 |
| Total supply | 1,003 | 24.97 | 15.45 | 9.52 |
| Service | 279 | 1.14 | .50 | .64 |
| Total | 2,473 | 69.07 | 46.08 | 22.99 |

¹ Totals may not add due to rounding.

² Includes dry edible beans and peas, fish, nuts, tobacco, wool, cottonseed, and other marketing.

Net Operating Margins

Net operating margins is gross margins minus total expenses but before taxes and patronage refunds from other cooperatives; so it is income generated by the cooperatives' own operations. Net operating margins for all cooperatives in 2008 was \$4 billion, excluding inter-cooperative dividends and refunds (Table 11).

Net operating margins as a percent of net sales was about 2 percent for all cooperatives by size (Table 9). Most service cooperatives, artificial insemination, large processed and fresh fruit and vegetable, and small nut cooperatives had high net operating margins. Dairy, rice, tobacco, sugar, and livestock marketing cooperatives had low net operating margins.

Table 11—Cooperatives' net income before taxes, 2008¹

| 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 | 198.0 | 197.5 | .5 |
| Dairy | 147 | 533.3 | 505.3 | 28.0 |
| Fruits & vegetables | 165 | 707.7 | 701.3 | 6.5 |
| Grains & oilseeds | 585 | 961.6 | 689.2 | 272.4 |
| Livestock & poultry | 72 | 39.7 | 37.0 | 2.7 |
| Rice | 14 | 54.6 | 54.3 | .4 |
| Sugar | 32 | 67.6 | 66.5 | 1.2 |
| Other marketing ² | 123 | 253.1 | 248.6 | 4.5 |
| Total marketing | 1,191 | 2,815.6 | 2,499.5 | 316.1 |
| Total supply | 1,003 | 1,802.7 | 1,289.7 | 512.9 |
| Service | 279 | 211.7 | 176.8 | 34.9 |
| Total | 2,473 | 4,829.9 | 3,966.0 | 863.9 |

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

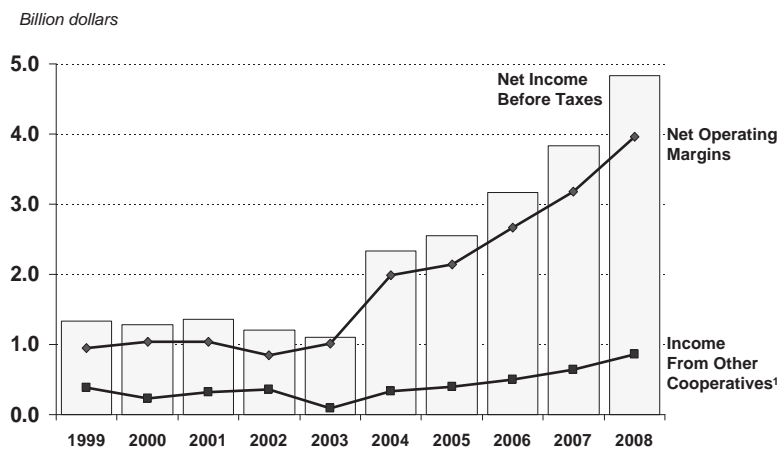
² Includes dry edible beans and peas, fish, nuts, tobacco, wool, and other marketing.

Patronage Income

Patronage refunds received, or income from other cooperatives, resulted from business 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.

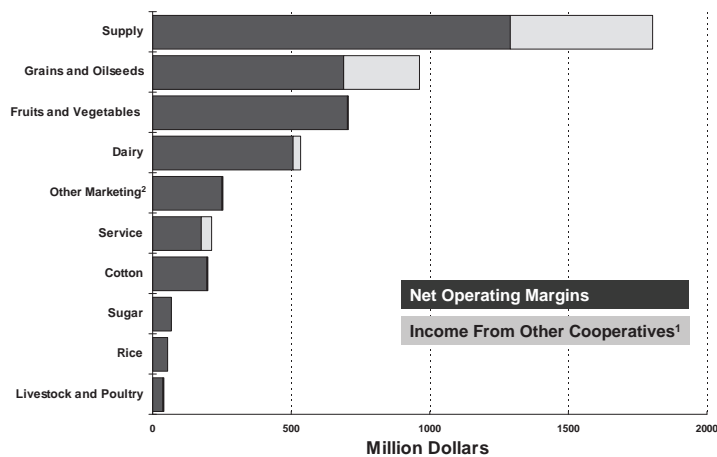
Patronage refunds received from other cooperatives, including CoBank, totaled \$864 million, up 34 percent from \$646 million in 2007 (Appendix

Figure 14—Cooperatives' Net Income Before Taxes, 1999-2008



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

Figure 15—Net Income or Loss, by Type of Cooperative, 2008



¹ Includes dividends and patronage refunds from other cooperatives and CoBank.
² Includes dry bean and pea, nut, tobacco, wool and mohair, fishery, and other product marketing cooperatives.

Figure 6). In 1999, refunds from other cooperatives totaled \$384 million, or 29 percent of total net income. By 2008, refunds had fallen to 18 percent of total net income.

Patronage refunds were a little more than 1.4 percent of sales for the smallest cooperatives, and fell to 0.2 percent for the largest (Table 9). Smaller cotton ginning cooperatives had patronage refunds of over 5 percent of sales. Fish, livestock, poultry, tobacco, sugar, wool, and service cooperatives other

than cotton ginning had virtually no patronage refunds.

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 extraordinary items. Sometimes PP&E are sold to generate income, but usually they 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. Extraordinary items might be 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 1 percent of sales.

Net Income Before Taxes

Net income before taxes was a record \$4.8 billion, an increase of 26 percent from \$3.8 billion in 2007. Net income in 2008 was almost four times the \$1.3 billion of 1999 (Appendix Table 7 and Figure 14).

Marketing cooperatives' total net income of \$2.8 billion was up 44 percent from the \$2 billion generated in 2007. Grain and oilseed cooperatives

increased their net incomes by more than \$360 million; fruit and vegetable, \$291 million; and dairy, \$186 million.

Total net income of supply cooperatives was \$1.8 billion in 2008, up 5 percent from \$1.7 billion in 2007 (Figure 15). This accounted for 37 percent of cooperatives' total net income in 2008, down from 45 percent in 2007 (Appendix Figure 7).

Losses totaled \$74 million in 2008, a 52-percent decrease from the \$155 million in losses in 2007.

Dairy, farm supply, grain and oilseed and poultry cooperatives all had losses of over \$10 million (Appendix Figure 8). The number of cooperatives with losses was down from 263 to 208, a decrease of 21 percent.

Income Taxes

Cooperatives paid income taxes on earnings not allocated to members (retained earnings) and on dividend payments. Each cooperative's board 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 nonmembers or retain the income. Cooperatives paid \$492 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) but fell to 1.7 percent for the largest cooperatives. Small cotton, cotton ginning, hulling, small nut, rice drier, and storage cooperatives all had higher-than-average net incomes while dairy, livestock, and sugar marketing cooperatives had lower levels of net income relative to sales.

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—the current ratio, debt to asset, debt to equity, times interest earned, total asset turnover, fixed asset turnover, gross profit margin, return on assets, and return on member equity.

The formulas for these ratios are:

- Current = current assets / current liabilities
- Debt to asset = debt / total assets (Please note: debt = all liabilities)

- Debt to equity = (debt / total assets) / (equity / total assets)
- Times interest earned = (NIBT + interest expense) / interest expense (Where NIBT = net income before taxes)
- Total asset turnover = total sales / total assets
- Fixed asset turnover = total sales / PP&E (Where PP&E = net property, plant & equipment)
- Gross profit margin = gross margin
- Return on assets before interest and taxes = (NIBT + interest expense) / total assets
- Return on member equity = net income / allocated equity

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 of mainly 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 1.8, meaning current assets exceed current liabilities by less than 1.8 times. If needed, 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 two for these cooperatives: small artificial insemination, small livestock, tobacco, small transportation, 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 60 percent of assets owned by cooperatives with up to \$15 million in sales and rose to 69 percent for the largest cooperatives. Artificial insemination, cotton ginning, small dairy, small livestock, service cooperatives, and tobacco marketing cooperatives had the lowest use of debt financing.

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 accelerating payments on long-term loans. Other ways include 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 cooperatives' sizes grew, so did their use of debt. The ratio was 0.7 for the smallest cooperatives, and it grew to 2.26 for the largest. Artificial insemination, small cotton ginning, small livestock, service cooperatives, and tobacco marketing cooperatives all had a ratio of less than 1.

Times interest earned ratio is the number of times interest expense is covered by earnings. A ratio of 1.0 or more indicates the ability of current earnings to pay current interest expenses. Lending institutions are more apt to loan to cooperatives whose times interest earned ratio is more than 1.0 because it shows their ability to pay interest payments. With a ratio greater than 1.0, a lending institution may lend funds at lower rates more readily for capital improvements.

Collecting old receivables, improving inventory turnover, disposing of assets and reducing debt with proceeds, or reducing debt with working capital may improve this ratio. Financially, a high ratio affects the return on equity and tends to increase it. Operationally, a high ratio reduces interest cost.

Interest coverage was between 7 and 4 for all sizes of cooperatives. Some especially high values were calculated by cooperative type but these values could be influenced by a number of the cooperatives in any particular type not breaking out interest expenses in their surveys or on their annual reports. Artificial insemination, cotton ginning, and service cooperatives had the highest ratios.

Activity Ratios

Activity ratios measure how well cooperatives use assets. A low ratio could mean that the cooperative was overcapitalized or carrying too much inventory.

A high *total asset turnover ratio* favorably influences finances through the reduction of financial leverage and/or increased return on equity. A high ratio tends to reduce interest costs. The ratio grew from 1.5 to 3.2 as cooperatives were larger. Dairy, livestock, small rice, and small sugar cooperatives have a high total asset turnover ratio.

Fixed asset turnover ratio is similar to the total asset turnover ratio and shows how well the cooperative used its fixed assets. This ratio by itself might not give a complete picture of the cooperative's financial health. A cooperative with fully depreciated assets would have an artificially high ratio. A cooperative that invested heavily in PP&E for future expansion will have a temporarily low ratio.

The measure for this ratio may or may not show favorable or unfavorable conditions, but merely cooperative conditions. An abnormally high ratio usually indicates very old, nearly depreciated fixed assets or the leasing of property and equipment. Financially, a high ratio is influenced favorably by increasing asset use, reducing financial leverage, and/or increasing return on equity. Operationally, it tends to reduce depreciation and interest costs. It may also increase costs related to operating leases, personnel and travel, or delivery expenses. This ratio may be improved by restricting further investments in fixed assets; redesigning production

or office facilities to increase the sales-generating potential of existing space and equipment; and/or selling idle machinery and parts, unused vehicles, and unnecessary equipment.

The fixed asset turnover ratio was between 5 and 15 for all sizes of cooperatives. Dairy, grain and oilseed, livestock, small rice, and small sugar cooperatives all have a high fixed asset turnover ratio.

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. Gross profit margin, a profitability ratio, was discussed in the income statement so will not be reexamined in this section.

Return on assets 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 financially indicates a comparatively high

rate of return on assets employed. This ratio rose from 8 for the smallest cooperatives to 11 for cooperatives with sales of \$5 million to \$15 million, and then fell to 7.6 for the largest cooperatives. It is high for small cotton, large cotton ginning, small sugar, rice drier, 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 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. Operationally, a high ratio tends to reduce interest cost over time but may occur when both total debt and interest costs are high. By size, the highest return on member equity was over 38 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 15. Cotton, cotton ginning, middle size dairy, large processed and fresh fruit and vegetable, large farm supply, large grain and oilseed, large livestock, middle size fish, nut, small sugar, rice drier, large transportation, and hulling cooperatives have very high returns on member equity.

APPENDIX TABLES

Appendix Table 1—Number of cooperatives by major business activity, 2008-2004

| Major business activity | 2008 | 2007 | 2006 | 2005 | 2004 |
|--------------------------------|--------------|--------------|---------------|--------------|--------------|
| Products marketed: | | | | | |
| | | | <i>Number</i> | | |
| Bean and pea (dry edible) | 6 | 6 | 6 | 6 | 6 |
| Cotton | 12 | 12 | 13 | 14 | 13 |
| Dairy | 147 | 161 | 172 | 193 | 195 |
| Fish | 41 | 45 | 45 | 50 | 49 |
| Fruit and vegetable | 165 | 162 | 167 | 188 | 196 |
| Grain and oilseed ¹ | 585 | 612 | 642 | 683 | 711 |
| Livestock | 59 | 56 | 48 | 59 | 63 |
| Nuts | 17 | 17 | 17 | 17 | 18 |
| Poultry ² | 13 | 12 | 12 | 14 | 17 |
| Rice | 14 | 14 | 15 | 15 | 15 |
| Sugar ³ | 32 | 32 | 38 | 47 | 44 |
| Tobacco | 11 | 11 | 15 | 19 | 19 |
| Wool and mohair | 62 | 63 | 61 | 71 | 74 |
| Other marketing | 27 | 30 | 29 | 36 | 40 |
| Total marketing | 1,191 | 1,233 | 1,280 | 1,412 | 1,460 |
| Total supplies | 1,003 | 1,061 | 1,090 | 1,128 | 1,161 |
| Total services | 279 | 300 | 305 | 356 | 362 |
| Total business | 2,473 | 2,594 | 2,675 | 2,896 | 2,983 |

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.

Appendix Table 2—Cooperative memberships, by major business activity, 2008-2004

| Major business activity | 2008 | 2007 | 2006 | 2005 | 2004 |
|--------------------------------|----------------|----------------|------------------|----------------|----------------|
| Products marketed: | | | | | |
| | | | <i>Thousands</i> | | |
| Bean and pea (dry edible) | 1.5 | 1.6 | 1.6 | 1.7 | 1.7 |
| Cotton | 32.1 | 41.5 | 42.7 | 43.2 | 43.4 |
| Dairy | 64.9 | 67.1 | 71.4 | 60.8 | 71.6 |
| Fish | 5.7 | 5.9 | 6.1 | 7.1 | 7.0 |
| Fruit and vegetable | 25.0 | 27.9 | 28.7 | 29.8 | 30.6 |
| Grain and oilseed ¹ | 446.6 | 465.9 | 467.0 | 479.3 | 496.1 |
| Livestock | 76.4 | 78.2 | 82.3 | 82.9 | 96.0 |
| Nuts | 15.9 | 15.4 | 15.4 | 15.4 | 14.6 |
| Poultry ² | 0.5 | 0.4 | 0.4 | 0.4 | 3.6 |
| Rice | 11.7 | 12.1 | 12.2 | 12.1 | 12.1 |
| Sugar ³ | 11.1 | 11.5 | 11.8 | 14.8 | 13.5 |
| Tobacco | 65.3 | 66.2 | 158.6 | 160.1 | 161.1 |
| Wool and mohair | 10.0 | 10.1 | 9.8 | 10.5 | 11.2 |
| Other marketing | 5.5 | 6.1 | 11.7 | 21.2 | 22.6 |
| Total marketing | 772.2 | 809.9 | 913.7 | 932.2 | 978.0 |
| Total supplies | 1,500.0 | 1,525.9 | 1,522.4 | 1,538.3 | 1,599.7 |
| Total services | 118.8 | 124.1 | 133.5 | 101.2 | 99.6 |
| Total business | 2,390.9 | 2,459.9 | 2,569.6 | 2,571.7 | 2,677.3 |

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.

Appendix Table 3—Cooperatives' gross business volume, by type of cooperative, 2008-2004

| Major business activity | 2008 | 2007 | 2006 | 2005 | 2004 |
|----------------------------------|--------------|--------------|-------------------|--------------|--------------|
| Products marketed: | | | | | |
| | | | <i>Billion \$</i> | | |
| Beans and peas (dry edible) | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |
| Cotton | 3.5 | 3.1 | 3.5 | 3.5 | 3.3 |
| Dairy | 40.1 | 37.7 | 29.0 | 31.0 | 30.7 |
| Fish | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Fruits and vegetables | 7.5 | 6.9 | 7.2 | 7.6 | 7.7 |
| Grains and oilseeds ¹ | 47.3 | 28.8 | 21.7 | 23.0 | 24.9 |
| Livestock | 3.4 | 3.4 | 3.4 | 2.3 | 3.0 |
| Nuts | 0.8 | 0.8 | 0.8 | 0.8 | 1.0 |
| Poultry ² | 1.5 | 1.4 | 1.4 | 1.2 | 3.5 |
| Rice | 1.4 | 1.1 | 1.1 | 1.0 | 1.0 |
| Sugar ³ | 4.9 | 4.9 | 3.7 | 3.5 | 3.6 |
| Tobacco | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 |
| Other marketing ⁴ | 5.9 | 4.6 | 4.4 | 3.9 | 3.6 |
| Total marketing | 116.8 | 93.1 | 76.5 | 78.0 | 82.7 |
| Supplies purchased: | | | | | |
| Crop protectants | 6.7 | 3.7 | 3.3 | 3.3 | 3.2 |
| Feed | 10.8 | 8.6 | 7.3 | 7.0 | 7.2 |
| Fertilizer | 12.8 | 7.7 | 6.6 | 6.4 | 6.1 |
| Petroleum | 30.3 | 21.6 | 21.8 | 16.3 | 14.6 |
| Seed | 3.5 | 2.8 | 2.4 | 2.1 | 1.9 |
| Other supplies | 6.1 | 4.8 | 4.5 | 4.2 | 3.9 |
| Total supplies | 70.2 | 49.3 | 45.9 | 39.3 | 37.0 |
| Services and other income | 4.8 | 4.1 | 4.1 | 4.3 | 3.7 |
| Total business | 191.9 | 146.6 | 126.5 | 121.7 | 123.4 |

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 2008-2004

| Major business activity | 2008 | 2007 | 2006 | 2005 | 2004 |
|----------------------------------|-------------------|--------------|--------------|--------------|--------------|
| Products marketed: | <i>Billion \$</i> | | | | |
| Beans and peas (dry edible) | 0.2 | 0.1 | 0.1 | 0.1 | 0.1 |
| Cotton | 3.3 | 1.8 | 2.1 | 3.4 | 3.2 |
| Dairy | 37.8 | 35.5 | 27.4 | 28.2 | 29.1 |
| Fish | 0.2 | 0.2 | 0.2 | 0.2 | 0.2 |
| Fruits and vegetables | 5.2 | 4.3 | 5.8 | 7.3 | 6.2 |
| Grains and oilseeds ¹ | 46.2 | 28.3 | 21.4 | 23.0 | 24.0 |
| Livestock | 3.2 | 3.2 | 3.3 | 2.3 | 2.3 |
| Nuts | 0.8 | 0.8 | 0.8 | 0.8 | 1.0 |
| Poultry ² | 1.5 | 1.4 | 1.4 | 1.1 | 3.4 |
| Rice | 1.4 | 1.1 | 1.1 | 0.9 | 0.9 |
| Sugar ³ | 4.1 | 4.0 | 2.6 | 3.4 | 3.5 |
| Tobacco | 0.1 | 0.1 | 0.2 | 0.2 | 0.1 |
| Other marketing ⁴ | 5.6 | 4.5 | 4.3 | 3.7 | 3.4 |
| Total marketing | 109.8 | 85.4 | 70.4 | 74.2 | 77.2 |
| Supplies purchased: | | | | | |
| Crop protectants | 4.5 | 3.1 | 3.0 | 3.0 | 2.9 |
| Feed | 9.3 | 7.6 | 6.3 | 5.4 | 5.1 |
| Fertilizer | 9.9 | 6.8 | 5.9 | 5.4 | 5.1 |
| Petroleum | 19.2 | 14.7 | 15.2 | 9.8 | 8.9 |
| Seed | 2.4 | 1.8 | 1.5 | 1.3 | 1.5 |
| Other supplies | 5.3 | 4.3 | 4.0 | 3.7 | 3.4 |
| Total supplies | 50.7 | 38.3 | 35.9 | 28.4 | 27.0 |
| Services and other income | 4.8 | 4.1 | 4.1 | 3.9 | 3.7 |
| Total business | 165.3 | 127.8 | 110.5 | 106.5 | 107.9 |

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, 1998-2007

| Year | Assets from own operations | Investments in other cooperatives ¹ | Total assets | Total liabilities | Net worth |
|--------------------------------|----------------------------------|--|-----------------|----------------------|--------------|
| <i>Billion dollars</i> | | | | | |
| 1999 | 42.330 | 5.352 | 47.682 | 27.418 | 20.263 |
| 2000 | 44.635 | 5.087 | 49.722 | 29.447 | 20.275 |
| 2001 | 43.285 | 5.180 | 48.465 | 28.317 | 20.148 |
| 2002 | 41.947 | 5.539 | 47.486 | 27.883 | 19.602 |
| 2003 | 42.864 | 4.058 | 46.922 | 26.493 | 20.429 |
| 2004 | 42.356 | 4.797 | 47.153 | 26.766 | 20.386 |
| 2005 | 42.241 | 4.337 | 46.578 | 27.048 | 19.530 |
| 2006 | 44.359 | 3.522 | 47.882 | 27.955 | 19.927 |
| 2007 | 52.965 | 4.162 | 57.127 | 36.178 | 20.950 |
| 2008 | 64.879 | 4.191 | 69.070 | 46.079 | 22.990 |
| <i>Percent of total assets</i> | | | | | |
| 1999 | 88.8 | 11.2 | 100.0 | 57.5 | 42.5 |
| 2000 | 89.8 | 10.2 | 100.0 | 59.2 | 40.8 |
| 2001 | 89.3 | 10.7 | 100.0 | 58.4 | 41.6 |
| 2002 | 88.3 | 11.7 | 100.0 | 58.7 | 41.3 |
| 2003 | 91.4 | 8.6 | 100.0 | 56.5 | 43.5 |
| 2004 | 89.8 | 10.2 | 100.0 | 56.8 | 43.2 |
| 2005 | 90.7 | 9.3 | 100.0 | 58.1 | 41.9 |
| 2006 | 92.6 | 7.4 | 100.0 | 58.4 | 41.6 |
| 2007 | 92.7 | 7.3 | 100.0 | 63.3 | 36.7 |
| 2008 | 93.9 | 6.1 | 100.0 | 66.7 | 33.3 |

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

Appendix table 6—Common size analysis, by cooperative type and size, 2008

| Type of cooperative | Artificial insemination | | Cotton marketing | | Cotton services |
|------------------------------|--------------------------------|-------------------|---------------------|-------------------|--------------------|
| | ≥ \$15 million | < \$15 million | ≥ \$55 million | < \$55 million | |
| Cooperative sales size | | | | | all sizes |
| Balance sheet | <i>Percent of total assets</i> | | | | |
| Current assets | 53.06 | 69.69 | 83.32 | 70.33 | 60.66 |
| Other assets | 16.69 | 6.52 | 2.44 | 2.30 | 8.15 |
| Investments | 4.31 | 10.67 | 1.00 | 1.07 | 8.21 |
| PP&E ¹ (net) | 25.95 | 13.12 | 13.23 | 26.30 | 22.98 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 28.62 | 34.46 | 52.13 | 45.27 | 48.58 |
| Total liabilities | 41.80 | 37.89 | 73.80 | 61.21 | 56.86 |
| Allocated equity | 34.28 | 41.29 | 18.98 | 24.40 | 40.93 |
| Retained earnings | 23.93 | 20.82 | 7.22 | 14.39 | 2.21 |
| Total equity | 58.20 | 62.11 | 26.20 | 38.79 | 43.14 |
| 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 | |
| Cost of goods sold | 30.04 | 35.73 | 89.80 | 74.84 | |
| Gross margin | 69.96 | 64.27 | 10.20 | 25.16 | |
| Service and other income | 20.51 | 3.95 | 2.63 | 0.95 | 100.00 |
| Gross revenue | 90.47 | 68.22 | 12.83 | 26.11 | 100.00 |
| Expenses | | | | | |
| Wages | 45.36 | 36.58 | 2.46 | 3.94 | 25.02 |
| Depreciation | 4.28 | 2.01 | 0.57 | 1.42 | 3.08 |
| Interest | 0.57 | 0.00 | 1.55 | 1.05 | 4.58 |
| Other | 31.44 | 17.73 | 3.52 | 5.55 | 24.44 |
| Total expenses | 81.64 | 56.32 | 8.10 | 11.96 | 57.12 |
| Net operating margins | 8.82 | 11.90 | 4.73 | 14.15 | 42.88 |
| Patronage income | 0.48 | 1.06 | 0.01 | 0.03 | 0.46 |
| Non-operating income | 0.49 | -2.57 | 0.46 | 0.15 | 1.09 |
| Net income before taxes | 9.80 | 10.39 | 5.21 | 14.33 | 44.43 |
| Taxes | 1.82 | 0.71 | 0.14 | 0.05 | 0.10 |
| Net income | 7.98 | 9.68 | 5.07 | 14.28 | 44.33 |
| Ratios | <i>Percent or number</i> | | | | |
| Current | 1.85 | 2.02 | 1.60 | 1.55 | 1.25 |
| Debt to asset | 0.42 | 0.38 | 0.74 | 0.61 | 0.57 |
| Debt to equity | 0.72 | 0.61 | 2.82 | 1.58 | 1.32 |
| Times interest earned | 18.13 | n/a | 4.36 | 14.67 | 10.69 |
| Total asset turnover | 1.23 | 1.46 | 1.97 | 2.28 | 0.00 |
| Fixed asset turnover | 4.73 | 11.12 | 14.89 | 8.67 | 0.00 |
| Gross profit margin | 69.96 | 64.27 | 10.20 | 25.16 | 0.00 |
| Return on assets | 12.73 | 15.16 | 13.31 | 35.06 | 20.10 |
| Return on member equity | 28.59 | 34.19 | 52.58 | 133.47 | 44.43 |

¹(Property, plant, and equipment)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Cotton ginning | | | | |
|------------------------------|---|-------------------------|------------------------|-----------------------|------------------|
| | Cooperative sales size ≥ \$20 million | \$10 to \$20 million | \$5 to \$10 million | \$1 to \$5 million | < \$1 million |
| Balance sheet | | | | | |
| | <i>Percent of total assets</i> | | | | |
| Current assets | 58.18 | 49.43 | 41.80 | 36.60 | 41.56 |
| Other assets | 2.12 | 2.27 | 3.54 | 9.06 | 14.45 |
| Investments | 15.57 | 15.73 | 15.65 | 6.73 | 2.28 |
| PP&E ¹ (net) | 24.12 | 32.57 | 39.02 | 47.61 | 41.70 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 37.00 | 38.41 | 32.42 | 25.70 | 28.12 |
| Total liabilities | 47.25 | 52.49 | 43.72 | 43.97 | 41.34 |
| Allocated equity | 48.76 | 41.48 | 49.15 | 46.94 | 44.98 |
| Retained earnings | 3.99 | 6.03 | 7.13 | 9.09 | 13.68 |
| Total equity | 52.75 | 47.51 | 56.28 | 56.03 | 58.66 |
| 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 | 91.64 | 82.14 | 73.77 | 77.60 | 83.98 |
| Gross margin | 8.36 | 17.86 | 26.23 | 22.40 | 16.02 |
| Service and other income | 19.09 | 38.68 | 41.08 | 48.69 | 63.39 |
| Gross revenue | 27.44 | 56.54 | 67.31 | 71.08 | 79.40 |
| Expenses | | | | | |
| Wages | 5.55 | 12.74 | 16.36 | 18.88 | 30.27 |
| Depreciation | 1.33 | 3.33 | 5.00 | 6.23 | 4.90 |
| Interest | 0.35 | 1.36 | 1.09 | 1.85 | 1.16 |
| Other | 10.55 | 24.68 | 32.90 | 37.75 | 31.06 |
| Total expenses | 17.78 | 42.12 | 55.36 | 64.70 | 67.38 |
| Net operating margins | 9.67 | 14.42 | 11.94 | 6.38 | 12.02 |
| Patronage income | 2.61 | 4.90 | 6.36 | 5.91 | 6.53 |
| Non-operating income | 0.38 | 0.75 | 1.24 | 1.56 | 0.22 |
| Net income before taxes | 12.66 | 20.07 | 19.55 | 13.84 | 18.77 |
| Taxes | 0.01 | 0.16 | 0.04 | 0.25 | 0.00 |
| Net income | 12.65 | 19.91 | 19.51 | 13.59 | 18.77 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.57 | 1.29 | 1.29 | 1.42 | 1.48 |
| Debt to asset | 0.47 | 0.52 | 0.44 | 0.44 | 0.41 |
| Debt to equity | 0.90 | 1.10 | 0.78 | 0.78 | 0.70 |
| Times interest earned | 37.59 | 15.78 | 18.92 | 8.49 | 17.25 |
| Total asset turnover | 2.81 | 1.40 | 1.16 | 0.79 | 0.59 |
| Fixed asset turnover | 11.64 | 4.31 | 2.99 | 1.66 | 1.40 |
| Gross profit margin | 8.36 | 17.86 | 26.23 | 22.40 | 16.02 |
| Return on assets | 36.49 | 30.06 | 24.04 | 12.42 | 11.68 |
| Return on member equity | 72.81 | 67.33 | 46.24 | 22.91 | 24.45 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Dairy and dairy products | | | | |
|------------------------------|---|------------------------------|--------------------------------|-----------------------|----------------------|
| | Cooperative sales size ≥ \$1 billion | \$500 million to \$1 billion | \$200 to \$500 million | \$50 to \$200 million | \$20 to \$50 million |
| Balance sheet | | | | | |
| | | | <i>Percent of total assets</i> | | |
| Current assets | 57.81 | 61.90 | 71.01 | 68.28 | 75.34 |
| Other assets | 21.49 | 5.83 | 0.50 | 2.04 | 3.56 |
| Investments | 1.16 | 1.38 | 2.63 | 8.00 | 3.71 |
| PP&E ¹ (net) | 19.54 | 30.89 | 25.85 | 21.69 | 17.39 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 51.50 | 49.20 | 44.65 | 54.80 | 69.50 |
| Total liabilities | 74.54 | 64.48 | 62.52 | 60.21 | 75.66 |
| Allocated equity | 23.37 | 29.66 | 29.71 | 28.57 | 21.01 |
| Retained earnings | 2.09 | 5.87 | 7.77 | 11.22 | 3.32 |
| Total equity | 25.46 | 35.52 | 37.48 | 39.79 | 24.34 |
| 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 | 93.40 | 89.72 | 91.50 | 94.78 | 95.98 |
| Gross margin | 6.60 | 10.28 | 8.50 | 5.22 | 4.02 |
| Service and other income | 0.25 | 0.48 | 0.16 | 0.67 | 1.60 |
| Gross revenue | 6.85 | 10.75 | 8.66 | 5.89 | 5.62 |
| Expenses | | | | | |
| Wages | 3.58 | 3.31 | 2.53 | 2.05 | 1.33 |
| Depreciation | 0.59 | 0.59 | 0.79 | 0.44 | 0.39 |
| Interest | 0.42 | 0.23 | 0.35 | 0.09 | 0.31 |
| Other | 1.64 | 5.44 | 2.48 | 2.58 | 3.64 |
| Total expenses | 6.24 | 9.57 | 6.15 | 5.16 | 5.67 |
| Net operating margins | 0.61 | 1.18 | 2.51 | 0.73 | -0.05 |
| Patronage income | 0.03 | 0.02 | 0.03 | 0.23 | -0.01 |
| Non-operating income | 0.33 | -0.26 | 0.07 | 0.04 | 0.27 |
| Net income before taxes | 0.97 | 0.95 | 2.61 | 0.99 | 0.21 |
| Taxes | 0.07 | 0.04 | 0.25 | 0.03 | 0.00 |
| Net income | 0.90 | 0.91 | 2.36 | 0.96 | 0.21 |
| Ratios | | | | | |
| | | | <i>Percent or number</i> | | |
| Current | 1.12 | 1.26 | 1.59 | 1.25 | 1.08 |
| Debt to asset | 0.75 | 0.64 | 0.63 | 0.60 | 0.76 |
| Debt to equity | 2.93 | 1.82 | 1.67 | 1.51 | 3.11 |
| Times interest earned | 3.31 | 5.03 | 8.48 | 11.61 | 1.68 |
| Total asset turnover | 3.55 | 5.82 | 4.41 | 6.83 | 11.96 |
| Fixed asset turnover | 18.18 | 18.85 | 17.04 | 31.51 | 68.78 |
| Gross profit margin | 6.60 | 10.28 | 8.50 | 5.22 | 4.02 |
| Return on assets | 4.97 | 6.89 | 13.05 | 7.44 | 6.13 |
| Return on member equity | 13.69 | 17.80 | 35.03 | 23.00 | 11.75 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 69.09 | 53.67 | 63.74 | 50.47 |
| Other assets | 2.22 | 15.84 | 9.07 | 9.12 |
| Investments | 16.53 | 18.86 | 8.62 | 19.82 |
| PP&E ¹ (net) | 12.16 | 11.63 | 18.56 | 20.59 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 53.96 | 43.87 | 44.94 | 36.76 |
| Total liabilities | 59.49 | 47.67 | 54.58 | 46.13 |
| Allocated equity | 29.94 | 44.40 | 34.77 | 58.97 |
| Retained earnings | 10.57 | 7.92 | 10.65 | -5.10 |
| Total equity | 40.51 | 52.33 | 45.42 | 53.87 |
| 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 | 95.72 | 94.01 | 90.94 | 83.65 |
| Gross margin | 4.28 | 5.99 | 9.06 | 16.35 |
| Service and other income | 1.97 | 1.35 | 3.31 | 4.55 |
| Gross revenue | 6.25 | 7.33 | 12.38 | 20.90 |
| Expenses | | | | |
| Wages | 2.60 | 2.58 | 3.59 | 7.41 |
| Depreciation | 0.26 | 0.41 | 0.68 | 1.16 |
| Interest | 0.15 | 0.17 | 0.34 | 0.84 |
| Other | 2.72 | 3.57 | 6.34 | 11.70 |
| Total expenses | 5.73 | 6.73 | 10.95 | 21.12 |
| Net operating margins | 0.52 | 0.60 | 1.43 | -0.21 |
| Patronage income | 0.72 | 0.59 | 0.24 | 0.48 |
| Non-operating income | 0.05 | 0.69 | 0.05 | -0.17 |
| Net income before taxes | 1.29 | 1.88 | 1.71 | 0.09 |
| Taxes | 0.01 | 0.01 | 0.01 | 0.00 |
| Net income | 1.28 | 1.88 | 1.70 | 0.09 |
| Ratios | <i>Percent or number</i> | | | |
| Current | 1.28 | 1.22 | 1.42 | 1.37 |
| Debt to asset | 0.59 | 0.48 | 0.55 | 0.46 |
| Debt to equity | 1.47 | 0.91 | 1.20 | 0.86 |
| Times interest earned | 9.51 | 12.38 | 6.02 | 1.11 |
| Total asset turnover | 8.09 | 6.35 | 5.20 | 2.01 |
| Fixed asset turnover | 66.53 | 54.62 | 28.02 | 9.77 |
| Gross profit margin | 4.28 | 5.99 | 9.06 | 16.35 |
| Return on assets | 11.70 | 13.01 | 10.67 | 1.88 |
| Return on member equity | 34.64 | 26.84 | 25.40 | 0.31 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 50.02 | 57.53 | 59.54 | 54.99 | 67.31 | 65.69 |
| Other assets | 12.22 | 5.23 | 10.13 | 6.07 | 6.70 | 11.93 |
| Investments | 4.10 | 2.59 | 3.50 | 4.01 | 3.09 | 1.87 |
| PP&E ¹ (net) | 33.66 | 34.66 | 26.83 | 34.93 | 22.90 | 20.51 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 40.07 | 43.89 | 46.03 | 41.06 | 49.34 | 39.72 |
| Total liabilities | 60.09 | 58.03 | 60.15 | 55.05 | 68.59 | 46.38 |
| Allocated equity | 21.75 | 27.60 | 23.70 | 33.15 | 21.25 | 39.80 |
| Retained earnings | 18.17 | 14.37 | 16.15 | 11.80 | 10.16 | 13.83 |
| Total equity | 39.91 | 41.97 | 39.85 | 44.95 | 31.41 | 53.62 |
| 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 | 77.14 | 77.19 | 82.78 | 82.48 | 80.35 | 85.99 |
| Gross margin | 22.86 | 22.81 | 17.22 | 17.52 | 19.65 | 14.01 |
| Service and other income | 1.72 | 4.45 | 3.92 | 4.80 | 24.92 | 5.20 |
| Gross revenue | 24.57 | 27.27 | 21.14 | 22.33 | 44.57 | 19.22 |
| Expenses | | | | | | |
| Wages | 11.69 | 11.22 | 8.94 | 8.35 | 17.15 | 11.04 |
| Depreciation | 1.47 | 1.67 | 0.97 | 1.90 | 2.27 | 1.22 |
| Interest | 0.53 | 0.67 | 1.69 | 0.70 | 2.58 | 0.59 |
| Other | 9.26 | 12.12 | 7.84 | 9.24 | 20.36 | 6.02 |
| Total expenses | 22.95 | 25.68 | 19.44 | 20.19 | 42.36 | 18.87 |
| Net operating margins | 1.62 | 1.59 | 1.70 | 2.14 | 2.21 | 0.35 |
| Patronage income | 0.06 | 0.09 | 0.12 | 0.28 | 0.20 | 0.00 |
| Non-operating income | 0.36 | 1.65 | 0.20 | 0.86 | 2.88 | 0.05 |
| Net income before taxes | 2.05 | 3.33 | 2.02 | 3.28 | 5.29 | 0.39 |
| Taxes | 0.21 | 0.23 | 0.05 | 0.05 | 0.37 | 0.00 |
| Net income | 1.84 | 3.09 | 1.97 | 3.23 | 4.92 | 0.39 |
| Ratios | | | | | | |
| | <i>Percent or number</i> | | | | | |
| Current | 1.25 | 1.31 | 1.29 | 1.34 | 1.36 | 1.65 |
| Debt to asset | 0.60 | 0.58 | 0.60 | 0.55 | 0.69 | 0.46 |
| Debt to equity | 1.51 | 1.38 | 1.51 | 1.22 | 2.18 | 0.86 |
| Times interest earned | 4.84 | 5.99 | 2.19 | 5.66 | 3.05 | 1.67 |
| Total asset turnover | 2.83 | 2.69 | 3.45 | 1.82 | 0.92 | 1.33 |
| Fixed asset turnover | 8.39 | 7.76 | 12.87 | 5.22 | 4.02 | 6.49 |
| Gross profit margin | 22.86 | 22.81 | 17.22 | 17.52 | 19.65 | 14.01 |
| Return on assets | 7.29 | 10.74 | 12.81 | 7.26 | 7.24 | 1.31 |
| Return on member equity | 23.88 | 30.14 | 28.65 | 17.79 | 21.27 | 1.32 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Fruit and vegetable (processed and fresh sales) | | | | |
|------------------------------|---|---------------------------|--------------------------|-------------------------|--------------------------|
| | Cooperative sales size ≥ \$500 million | \$250 to \$420 million | \$50 to \$150 million | \$10 to \$50 million | Less than \$6 million |
| Balance sheet | | | | | |
| | <i>Percent of total assets</i> | | | | |
| Current assets | 54.06 | 63.38 | 78.67 | 55.09 | 68.38 |
| Other assets | 16.45 | 2.95 | 5.11 | 2.00 | 12.94 |
| Investments | 2.05 | 1.89 | 0.48 | 12.75 | 2.11 |
| PP&E ¹ (net) | 27.44 | 31.79 | 15.74 | 30.16 | 16.56 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 38.50 | 37.22 | 72.78 | 46.48 | 43.01 |
| Total liabilities | 67.84 | 64.47 | 80.53 | 58.55 | 55.91 |
| Allocated equity | 29.05 | 19.28 | 12.94 | 38.33 | 35.95 |
| Retained earnings | 3.11 | 16.25 | 6.53 | 3.11 | 8.14 |
| Total equity | 32.16 | 35.53 | 19.47 | 41.45 | 44.09 |
| 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 | 73.88 | 73.56 | 86.98 | 62.20 | 84.27 |
| Gross margin | 26.12 | 26.44 | 13.02 | 37.80 | 15.73 |
| Service and other income | 3.84 | 0.14 | 2.25 | 1.27 | 7.00 |
| Gross revenue | 29.96 | 26.57 | 15.27 | 39.07 | 22.73 |
| Expenses | | | | | |
| Wages | 7.90 | 11.37 | 4.60 | 13.98 | 10.79 |
| Depreciation | 2.15 | 2.34 | 0.64 | 2.04 | 1.08 |
| Interest | 0.70 | 1.83 | 0.85 | 1.83 | 0.84 |
| Other | 8.73 | 3.73 | 9.13 | 21.42 | 7.60 |
| Total expenses | 19.47 | 19.27 | 15.22 | 39.26 | 20.30 |
| Net operating margins | 10.49 | 7.30 | 0.05 | -0.19 | 2.42 |
| Patronage income | 0.04 | 0.04 | 0.02 | 1.60 | 0.07 |
| Non-operating income | 0.63 | -0.07 | 0.72 | 0.31 | -0.24 |
| Net income before taxes | 11.16 | 7.27 | 0.79 | 1.73 | 2.26 |
| Taxes | 0.15 | 0.17 | -0.02 | -0.26 | 0.03 |
| Net income | 11.00 | 7.10 | 0.81 | 1.99 | 2.23 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.40 | 1.70 | 1.08 | 1.19 | 1.59 |
| Debt to asset | 0.68 | 0.64 | 0.81 | 0.59 | 0.56 |
| Debt to equity | 2.11 | 1.81 | 4.14 | 1.41 | 1.27 |
| Times interest earned | 17.04 | 4.96 | 1.93 | 1.95 | 3.70 |
| Total asset turnover | 1.91 | 1.69 | 1.96 | 1.16 | 2.51 |
| Fixed asset turnover | 6.96 | 5.32 | 12.44 | 3.83 | 15.14 |
| Gross profit margin | 26.12 | 26.44 | 13.02 | 37.80 | 15.73 |
| Return on assets | 22.64 | 15.40 | 3.21 | 4.11 | 7.76 |
| Return on member equity | 72.35 | 62.30 | 12.32 | 5.99 | 15.55 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Supply (with 100% supply sales) | | | | | |
|------------------------------|--|---------------------------|--------------------------|-------------------------|-------------------------|-------------------------|
| | Cooperative sales size ≥ \$500 million | \$300 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 | 66.46 | 61.75 | 58.66 | 62.24 | 58.51 | 55.93 |
| Other assets | 15.07 | 3.41 | 1.99 | 2.21 | 3.66 | 3.21 |
| Investments | 6.80 | 9.15 | 14.76 | 16.83 | 16.24 | 17.88 |
| PP&E ¹ (net) | 11.67 | 25.69 | 24.59 | 18.71 | 21.59 | 22.98 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 46.23 | 48.41 | 40.41 | 47.65 | 45.77 | 39.22 |
| Total liabilities | 61.28 | 63.16 | 48.70 | 52.96 | 55.17 | 47.67 |
| Allocated equity | 20.80 | 22.52 | 28.20 | 29.23 | 28.10 | 31.35 |
| Retained earnings | 17.92 | 14.32 | 23.11 | 17.81 | 16.73 | 20.98 |
| Total equity | 38.72 | 36.84 | 51.30 | 47.04 | 44.83 | 52.33 |
| 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 | 91.45 | 89.78 | 86.17 | 87.07 | 85.41 | 86.50 |
| Gross margin | 8.55 | 10.22 | 13.83 | 12.93 | 14.59 | 13.50 |
| Service and other income | 0.35 | 1.33 | 2.94 | 2.23 | 2.53 | 3.40 |
| Gross revenue | 8.90 | 11.55 | 16.77 | 15.16 | 17.12 | 16.90 |
| Expenses | | | | | | |
| Wages | 2.80 | 5.05 | 6.68 | 6.42 | 7.86 | 8.22 |
| Depreciation | 0.38 | 0.90 | 1.22 | 1.17 | 1.47 | 1.50 |
| Interest | 0.42 | 0.72 | 0.65 | 0.63 | 0.80 | 0.66 |
| Other | 2.91 | 3.09 | 5.37 | 4.49 | 5.67 | 5.11 |
| Total expenses | 6.52 | 9.77 | 13.92 | 12.71 | 15.80 | 15.49 |
| Net operating margins | 2.38 | 1.78 | 2.85 | 2.45 | 1.32 | 1.41 |
| Patronage income | 0.80 | 1.25 | 1.68 | 2.21 | 2.28 | 2.01 |
| Non-operating income | 1.51 | 0.53 | 0.25 | 0.08 | 0.73 | 1.22 |
| Net income before taxes | 4.69 | 3.55 | 4.78 | 4.74 | 4.33 | 4.65 |
| Taxes | 0.82 | 0.80 | 0.86 | 0.58 | 0.60 | 0.80 |
| Net income | 3.87 | 2.75 | 3.92 | 4.16 | 3.73 | 3.84 |
| Ratios | | | | | | |
| | <i>Percent or number</i> | | | | | |
| Current | 1.44 | 1.28 | 1.45 | 1.31 | 1.28 | 1.43 |
| Debt to asset | 0.61 | 0.63 | 0.49 | 0.53 | 0.55 | 0.48 |
| Debt to equity | 1.58 | 1.71 | 0.95 | 1.13 | 1.23 | 0.91 |
| Times interest earned | 12.21 | 5.91 | 8.37 | 8.55 | 6.43 | 8.02 |
| Total asset turnover | 3.15 | 2.51 | 2.45 | 2.22 | 1.98 | 2.27 |
| Fixed asset turnover | 26.98 | 9.79 | 9.98 | 11.86 | 9.17 | 9.87 |
| Gross profit margin | 8.55 | 10.22 | 13.83 | 12.93 | 14.59 | 13.50 |
| Return on assets | 16.08 | 10.75 | 13.32 | 11.91 | 10.16 | 12.04 |
| Return on member equity | 58.61 | 30.69 | 34.08 | 31.58 | 26.31 | 27.80 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 50.87 | 58.66 | 59.83 | 60.53 | 60.18 |
| Other assets | 4.98 | 2.46 | 5.02 | 6.43 | 10.89 |
| Investments | 20.45 | 19.36 | 13.98 | 13.37 | 7.77 |
| PP&E ¹ (net) | 23.69 | 19.51 | 21.17 | 19.67 | 21.15 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 36.23 | 36.76 | 36.29 | 33.32 | 40.11 |
| Total liabilities | 43.47 | 41.81 | 42.42 | 41.69 | 50.89 |
| Allocated equity | 34.06 | 37.31 | 34.69 | 39.47 | 34.69 |
| Retained earnings | 22.47 | 20.87 | 22.89 | 18.83 | 14.42 |
| Total equity | 56.53 | 58.19 | 57.58 | 58.31 | 49.11 |
| 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 | 85.49 | 86.96 | 85.82 | 85.59 | 85.48 |
| Gross margin | 14.51 | 13.04 | 14.18 | 14.41 | 14.52 |
| Service and other income | 2.90 | 2.35 | 2.45 | 3.23 | 8.73 |
| Gross revenue | 17.41 | 15.39 | 16.64 | 17.64 | 23.26 |
| Expenses | | | | | |
| Wages | 7.55 | 7.54 | 8.71 | 9.40 | 16.10 |
| Depreciation | 1.48 | 1.39 | 1.22 | 1.34 | 1.37 |
| Interest | 0.56 | 0.49 | 0.58 | 0.61 | 0.86 |
| Other | 5.33 | 4.60 | 4.78 | 5.33 | 5.21 |
| Total expenses | 14.93 | 14.02 | 15.28 | 16.68 | 23.54 |
| Net operating margins | 2.49 | 1.37 | 1.35 | 0.96 | -0.29 |
| Patronage income | 2.87 | 2.48 | 1.78 | 1.47 | 0.32 |
| Non-operating income | 0.72 | 0.13 | 0.27 | 0.19 | 0.13 |
| Net income before taxes | 6.08 | 3.99 | 3.41 | 2.62 | 0.16 |
| Taxes | 0.47 | 0.40 | 0.35 | 0.15 | 0.03 |
| Net income | 5.61 | 3.59 | 3.05 | 2.46 | 0.14 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.40 | 1.60 | 1.65 | 1.82 | 1.50 |
| Debt to asset | 0.43 | 0.42 | 0.42 | 0.42 | 0.51 |
| Debt to equity | 0.77 | 0.72 | 0.74 | 0.72 | 1.04 |
| Times interest earned | 11.82 | 9.18 | 6.92 | 5.28 | 1.19 |
| Total asset turnover | 1.92 | 2.16 | 2.10 | 1.96 | 1.76 |
| Fixed asset turnover | 8.09 | 11.07 | 9.91 | 9.97 | 8.30 |
| Gross profit margin | 14.51 | 13.04 | 14.18 | 14.41 | 14.52 |
| Return on assets | 12.72 | 9.67 | 8.35 | 6.33 | 1.80 |
| Return on member equity | 31.55 | 20.78 | 18.47 | 12.24 | 0.70 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Mixed supply (with 99% to 50% supply sales) | | | |
|------------------------------|---|---------------------------|--------------------------|-------------------------|
| | Cooperative sales size \$200 to \$800 million | \$100 to \$200 million | \$50 to \$100 million | \$30 to \$50 million |
| Balance sheet | | | | |
| | <i>Percent of total assets</i> | | | |
| Current assets | 73.80 | 67.53 | 65.98 | 62.63 |
| Other assets | 1.25 | 3.25 | 1.78 | 5.77 |
| Investments | 9.58 | 11.37 | 13.99 | 11.48 |
| PP&E ¹ (net) | 15.37 | 17.86 | 18.24 | 20.12 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 61.27 | 55.18 | 54.46 | 48.28 |
| Total liabilities | 69.51 | 64.55 | 62.94 | 56.99 |
| Allocated equity | 16.38 | 17.81 | 21.10 | 27.45 |
| Retained earnings | 14.11 | 17.63 | 15.95 | 15.56 |
| Total equity | 30.49 | 35.45 | 37.06 | 43.01 |
| 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 | 89.61 | 88.70 | 88.62 | 87.37 |
| Gross margin | 10.39 | 11.30 | 11.38 | 12.63 |
| Service and other income | 2.49 | 2.35 | 3.44 | 3.00 |
| Gross revenue | 12.88 | 13.65 | 14.82 | 15.63 |
| Expenses | | | | |
| Wages | 5.33 | 5.29 | 6.12 | 7.81 |
| Depreciation | 1.02 | 1.16 | 1.24 | 1.48 |
| Interest | 0.98 | 0.89 | 0.86 | 0.98 |
| Other | 3.60 | 4.73 | 5.06 | 4.51 |
| Total expenses | 10.93 | 12.07 | 13.27 | 14.77 |
| Net operating margins | 1.95 | 1.57 | 1.55 | 0.85 |
| Patronage income | 1.27 | 1.68 | 1.91 | 1.66 |
| Non-operating income | 0.62 | 0.31 | 0.29 | 0.69 |
| Net income before taxes | 3.85 | 3.57 | 3.75 | 3.21 |
| Taxes | 0.68 | 0.65 | 0.65 | 0.37 |
| Net income | 3.17 | 2.91 | 3.10 | 2.83 |
| Ratios | | | | |
| | <i>Percent or number</i> | | | |
| Current | 1.20 | 1.22 | 1.21 | 1.30 |
| Debt to asset | 0.70 | 0.65 | 0.63 | 0.57 |
| Debt to equity | 2.28 | 1.82 | 1.70 | 1.33 |
| Times interest earned | 4.94 | 5.03 | 5.38 | 4.28 |
| Total asset turnover | 2.28 | 2.44 | 2.20 | 1.87 |
| Fixed asset turnover | 14.86 | 13.64 | 12.06 | 9.30 |
| Gross profit margin | 10.39 | 11.30 | 11.38 | 12.63 |
| Return on assets | 11.02 | 10.85 | 10.13 | 7.84 |
| Return on member equity | 44.18 | 39.86 | 32.33 | 19.32 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 60.89 | 62.63 | 58.02 | 48.63 |
| Other assets | 3.18 | 2.82 | 3.88 | 12.49 |
| Investments | 16.01 | 13.45 | 14.51 | 11.79 |
| PP&E ¹ (net) | 19.92 | 21.09 | 23.59 | 27.09 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 44.99 | 68.86 | 35.32 | 29.68 |
| Total liabilities | 51.06 | 51.19 | 42.46 | 37.39 |
| Allocated equity | 31.59 | 27.91 | 34.86 | 46.53 |
| Retained earnings | 17.34 | 20.90 | 22.69 | 16.08 |
| Total equity | 48.94 | 48.81 | 57.54 | 62.61 |
| 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 | 88.85 | 87.45 | 88.11 | 87.09 |
| Gross margin | 11.15 | 12.55 | 11.89 | 12.91 |
| Service and other income | 3.62 | 3.80 | 3.80 | 5.31 |
| Gross revenue | 14.77 | 16.35 | 15.69 | 18.22 |
| Expenses | | | | |
| Wages | 5.81 | 7.22 | 7.20 | 9.74 |
| Depreciation | 1.24 | 1.39 | 1.47 | 1.41 |
| Interest | 0.65 | 0.61 | 0.61 | 0.64 |
| Other | 4.66 | 5.47 | 5.34 | 5.65 |
| Total expenses | 12.36 | 14.69 | 14.61 | 17.43 |
| Net operating margins | 2.41 | 1.66 | 1.08 | 0.79 |
| Patronage income | 1.95 | 1.44 | 1.73 | 0.79 |
| Non-operating income | 0.69 | 0.40 | 0.38 | 0.16 |
| Net income before taxes | 5.05 | 3.50 | 3.19 | 1.74 |
| Taxes | 0.37 | 0.36 | 0.36 | 0.10 |
| Net income | 4.68 | 3.14 | 2.83 | 1.65 |
| Ratios | | | | |
| | <i>Percent or number</i> | | | |
| Current | 1.35 | 0.91 | 1.64 | 1.64 |
| Debt to asset | 0.51 | 0.51 | 0.42 | 0.37 |
| Debt to equity | 1.04 | 1.05 | 0.74 | 0.60 |
| Times interest earned | 8.79 | 6.71 | 6.20 | 3.74 |
| Total asset turnover | 2.17 | 2.17 | 2.42 | 1.89 |
| Fixed asset turnover | 10.88 | 10.31 | 10.25 | 6.98 |
| Gross profit margin | 11.15 | 12.55 | 11.89 | 12.91 |
| Return on assets | 12.35 | 8.95 | 9.20 | 4.50 |
| Return on member equity | 32.10 | 24.44 | 19.64 | 6.68 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)**Type of cooperative Mixed grain and oilseed marketing (with 49% to 25% supply sales)**

| Cooperative sales size | \$225 to \$750 million | \$100 to \$225 million | \$50 to \$100 million | \$30 to \$50 million |
|------------------------------|--------------------------------|---------------------------|--------------------------|-------------------------|
| Balance sheet | | | | |
| | <i>Percent of total assets</i> | | | |
| Current assets | 76.94 | 70.98 | 71.63 | 73.36 |
| Other assets | 1.12 | 7.85 | 1.46 | 2.10 |
| Investments | 8.48 | 7.07 | 8.47 | 8.18 |
| PP&E ¹ (net) | 13.45 | 14.11 | 18.44 | 16.35 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 66.53 | 61.46 | 61.86 | 61.56 |
| Total liabilities | 76.84 | 74.81 | 71.34 | 67.46 |
| Allocated equity | 12.88 | 13.81 | 17.37 | 21.31 |
| Retained earnings | 10.28 | 11.38 | 11.29 | 11.23 |
| Total equity | 23.16 | 25.19 | 28.66 | 32.54 |
| 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 | 92.51 | 92.23 | 92.24 | 92.35 |
| Gross margin | 7.49 | 7.77 | 7.76 | 7.65 |
| Service and other income | 2.72 | 3.57 | 3.17 | 3.40 |
| Gross revenue | 10.21 | 11.35 | 10.93 | 11.04 |
| Expenses | | | | |
| Wages | 3.40 | 3.83 | 3.88 | 4.04 |
| Depreciation | 0.96 | 0.98 | 1.07 | 1.14 |
| Interest | 1.41 | 1.59 | 1.10 | 1.15 |
| Other | 3.08 | 3.65 | 3.46 | 3.67 |
| Total expenses | 8.85 | 10.05 | 9.51 | 10.01 |
| Net operating margins | 1.36 | 1.30 | 1.42 | 1.04 |
| Patronage income | 0.91 | 0.99 | 1.05 | 1.08 |
| Non-operating income | 0.78 | 0.77 | 0.24 | 0.74 |
| Net income before taxes | 3.06 | 3.06 | 2.71 | 2.86 |
| Taxes | 0.26 | 0.39 | 0.32 | 0.25 |
| Net income | 2.79 | 2.67 | 2.39 | 2.61 |
| Ratios | | | | |
| | <i>Percent or number</i> | | | |
| Current | 1.16 | 1.15 | 1.16 | 1.19 |
| Debt to asset | 0.77 | 0.75 | 0.71 | 0.67 |
| Debt to equity | 3.32 | 2.97 | 2.49 | 2.07 |
| Times interest earned | 3.17 | 2.92 | 3.47 | 3.48 |
| Total asset turnover | 1.96 | 1.97 | 2.28 | 2.08 |
| Fixed asset turnover | 14.55 | 13.93 | 12.39 | 12.70 |
| Gross profit margin | 7.49 | 7.77 | 7.76 | 7.65 |
| Return on assets | 8.74 | 9.15 | 8.70 | 8.33 |
| Return on member equity | 42.46 | 38.01 | 31.49 | 25.42 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 70.28 | 69.04 | 66.56 | 68.76 | 60.91 |
| Other assets | 4.93 | 6.88 | 5.88 | 7.80 | 12.12 |
| Investments | 7.57 | 6.32 | 6.92 | 4.36 | 5.62 |
| PP&E ¹ (net) | 17.21 | 17.76 | 20.63 | 19.08 | 21.34 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 58.70 | 53.60 | 50.11 | 49.06 | 43.08 |
| Total liabilities | 65.16 | 60.86 | 60.01 | 56.65 | 53.48 |
| Allocated equity | 23.33 | 23.47 | 20.31 | 28.42 | 28.28 |
| Retained earnings | 11.51 | 15.67 | 19.68 | 14.92 | 18.24 |
| Total equity | 34.84 | 39.14 | 39.99 | 43.35 | 46.52 |
| 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 | 92.34 | 92.79 | 92.48 | 92.32 | 90.44 |
| Gross margin | 7.66 | 7.21 | 7.52 | 7.68 | 9.56 |
| Service and other income | 3.06 | 3.27 | 3.35 | 3.58 | 5.54 |
| Gross revenue | 10.72 | 10.48 | 10.87 | 11.26 | 15.10 |
| Expenses | | | | | |
| Wages | 3.98 | 4.06 | 4.46 | 4.74 | 7.40 |
| Depreciation | 1.11 | 1.11 | 1.26 | 1.23 | 1.45 |
| Interest | 0.86 | 0.97 | 0.56 | 0.58 | 0.63 |
| Other | 3.48 | 3.55 | 3.72 | 3.72 | 4.59 |
| Total expenses | 9.42 | 9.70 | 10.00 | 10.27 | 14.06 |
| Net operating margins | 1.31 | 0.78 | 0.87 | 0.98 | 1.04 |
| Patronage income | 0.79 | 0.71 | 0.49 | 0.42 | 0.22 |
| Non-operating income | 0.65 | 1.16 | 0.43 | 0.07 | 0.10 |
| Net income before taxes | 2.75 | 2.65 | 1.79 | 1.47 | 1.36 |
| Taxes | 0.24 | 0.27 | 0.08 | 0.03 | 0.04 |
| Net income | 2.51 | 2.37 | 1.71 | 1.44 | 1.31 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.20 | 1.29 | 1.33 | 1.40 | 1.41 |
| Debt to asset | 0.65 | 0.61 | 0.60 | 0.57 | 0.53 |
| Debt to equity | 1.87 | 1.55 | 1.50 | 1.31 | 1.15 |
| Times interest earned | 4.21 | 3.73 | 4.20 | 3.52 | 3.15 |
| Total asset turnover | 2.32 | 2.35 | 2.64 | 2.34 | 1.83 |
| Fixed asset turnover | 13.50 | 13.23 | 12.79 | 12.25 | 8.57 |
| Gross profit margin | 7.66 | 7.21 | 7.52 | 7.68 | 9.56 |
| Return on assets | 8.38 | 8.49 | 6.20 | 4.81 | 3.63 |
| Return on member equity | 25.03 | 23.76 | 22.17 | 11.84 | 8.50 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)**Type of cooperative Grain and oilseed marketing (with less than 25% supply sales)**

| Cooperative sales size | ≥\$300 million | \$100 to \$300 million | \$50 to \$100 million | \$30 to \$50 million |
|------------------------------|--------------------------------|---------------------------|--------------------------|-------------------------|
| Balance sheet | | | | |
| | <i>Percent of total assets</i> | | | |
| Current assets | 73.65 | 74.74 | 72.67 | 70.01 |
| Other assets | 4.79 | 2.70 | 6.16 | 2.73 |
| Investments | 3.64 | 5.88 | 4.56 | 4.08 |
| PP&E ¹ (net) | 17.91 | 16.68 | 16.61 | 23.18 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 63.35 | 65.59 | 63.14 | 58.32 |
| Total liabilities | 77.40 | 74.93 | 72.49 | 68.22 |
| Allocated equity | 11.54 | 14.74 | 17.21 | 18.69 |
| Retained earnings | 11.06 | 10.33 | 10.30 | 13.09 |
| Total equity | 22.60 | 25.07 | 27.51 | 31.78 |
| 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 | 92.07 | 94.02 | 94.51 | 94.96 |
| Gross margin | 7.93 | 5.98 | 5.49 | 5.04 |
| Service and other income | 2.16 | 2.11 | 2.32 | 2.60 |
| Gross revenue | 10.09 | 8.09 | 7.82 | 7.64 |
| Expenses | | | | |
| Wages | 3.32 | 2.22 | 2.44 | 2.01 |
| Depreciation | 0.96 | 0.80 | 0.82 | 0.78 |
| Interest | 1.21 | 1.22 | 1.12 | 0.86 |
| Other | 3.29 | 2.28 | 2.33 | 2.65 |
| Total expenses | 8.79 | 6.53 | 6.71 | 6.30 |
| Net operating margins | 1.31 | 1.57 | 1.11 | 1.34 |
| Patronage income | 0.57 | 0.69 | 0.43 | 0.36 |
| Non-operating income | 0.61 | 0.27 | 0.49 | 0.20 |
| Net income before taxes | 2.48 | 2.53 | 2.03 | 1.89 |
| Taxes | 0.34 | 0.41 | 0.21 | 0.16 |
| Net income | 2.14 | 2.12 | 1.81 | 1.73 |
| Ratios | | | | |
| | <i>Percent or number</i> | | | |
| Current | 1.16 | 1.14 | 1.15 | 1.20 |
| Debt to asset | 0.77 | 0.75 | 0.72 | 0.68 |
| Debt to equity | 3.42 | 2.99 | 2.64 | 2.15 |
| Times interest earned | 3.05 | 3.07 | 2.81 | 3.21 |
| Total asset turnover | 2.01 | 2.20 | 2.39 | 2.55 |
| Fixed asset turnover | 11.20 | 13.21 | 14.38 | 10.99 |
| Gross profit margin | 7.93 | 5.98 | 5.49 | 5.04 |
| Return on assets | 7.41 | 8.26 | 7.51 | 6.99 |
| Return on member equity | 37.22 | 31.70 | 25.16 | 23.60 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 75.23 | 76.08 | 72.12 | 64.07 | 65.89 |
| Other assets | 1.82 | 2.04 | 1.84 | 6.71 | 7.81 |
| Investments | 4.32 | 5.48 | 5.82 | 5.10 | 2.75 |
| PP&E ¹ (net) | 18.63 | 16.41 | 20.22 | 24.12 | 23.55 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 64.61 | 62.26 | 54.17 | 47.22 | 47.97 |
| Total liabilities | 72.87 | 67.95 | 59.74 | 56.72 | 58.27 |
| Allocated equity | 12.37 | 19.40 | 22.36 | 23.71 | 29.79 |
| Retained earnings | 14.76 | 12.65 | 17.90 | 19.56 | 11.94 |
| Total equity | 27.13 | 32.05 | 40.26 | 43.28 | 41.73 |
| 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 | 93.47 | 94.48 | 94.54 | 93.25 | 90.80 |
| Gross margin | 6.53 | 5.52 | 5.46 | 6.75 | 9.20 |
| Service and other income | 2.19 | 2.59 | 2.69 | 3.26 | 6.62 |
| Gross revenue | 8.71 | 8.10 | 8.16 | 10.01 | 15.82 |
| Expenses | | | | | |
| Wages | 2.23 | 2.22 | 2.64 | 3.21 | 5.84 |
| Depreciation | 0.94 | 0.86 | 0.81 | 1.12 | 1.44 |
| Interest | 1.03 | 0.94 | 0.67 | 0.74 | 0.79 |
| Other | 1.89 | 2.22 | 2.75 | 3.71 | 6.17 |
| Total expenses | 6.08 | 6.24 | 6.87 | 8.79 | 14.24 |
| Net operating margins | 2.63 | 1.87 | 1.29 | 1.22 | 1.58 |
| Patronage income | 0.26 | 0.36 | 0.68 | 0.24 | 0.18 |
| Non-operating income | 0.39 | 0.28 | 0.31 | 0.42 | 0.06 |
| Net income before taxes | 3.28 | 2.51 | 2.27 | 1.88 | 1.82 |
| Taxes | 0.24 | 0.09 | 0.11 | 0.10 | 0.01 |
| Net income | 3.04 | 2.42 | 2.17 | 1.78 | 1.81 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.16 | 1.22 | 1.33 | 1.36 | 1.37 |
| Debt to asset | 0.73 | 0.68 | 0.60 | 0.57 | 0.58 |
| Debt to equity | 2.69 | 2.12 | 1.48 | 1.31 | 1.40 |
| Times interest earned | 4.20 | 3.66 | 4.39 | 3.52 | 3.31 |
| Total asset turnover | 2.35 | 2.47 | 3.07 | 2.69 | 2.11 |
| Fixed asset turnover | 12.60 | 15.04 | 15.20 | 11.16 | 8.96 |
| Gross profit margin | 6.53 | 5.52 | 5.46 | 6.75 | 9.20 |
| Return on assets | 10.12 | 8.53 | 9.05 | 7.06 | 5.50 |
| Return on member equity | 57.68 | 30.75 | 29.79 | 20.20 | 12.80 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 |
| Balance sheet | | | | | | |
| | <i>Percent of total assets</i> | | | | | |
| Current assets | 73.37 | 42.33 | 54.36 | 49.32 | 65.73 | 57.82 |
| Other assets | 0.10 | 0.10 | 0.43 | 0.16 | 0.89 | 16.89 |
| Investments | 0.09 | 0.00 | 0.00 | 0.00 | 1.30 | 0.00 |
| PP&E ¹ (net) | 26.44 | 57.57 | 45.21 | 50.52 | 32.09 | 25.28 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 61.26 | 23.87 | 41.47 | 32.43 | 36.57 | 31.78 |
| Total liabilities | 66.01 | 72.78 | 75.27 | 56.38 | 52.06 | 41.40 |
| Allocated equity | 27.04 | 21.47 | 14.89 | 43.21 | 24.23 | 24.90 |
| Retained earnings | 6.96 | 5.75 | 9.83 | 0.41 | 23.71 | 33.70 |
| Total equity | 33.99 | 27.22 | 24.73 | 43.62 | 47.94 | 58.60 |
| 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 | 79.25 | 78.36 | 85.86 | 85.82 | 83.50 | 80.79 |
| Gross margin | 20.75 | 21.64 | 14.14 | 14.18 | 16.50 | 19.21 |
| Service and other income | 0.04 | 5.29 | 0.83 | 7.87 | 0.08 | 1.35 |
| Gross revenue | 20.79 | 26.93 | 14.97 | 22.06 | 16.58 | 20.56 |
| Expenses | | | | | | |
| Wages | 6.69 | 8.39 | 4.86 | 9.98 | 6.59 | 5.09 |
| Depreciation | 0.80 | 2.88 | 2.81 | 1.03 | 1.07 | 1.29 |
| Interest | 0.73 | 1.39 | 0.52 | 0.49 | 0.52 | 0.22 |
| Other | 12.15 | 10.18 | 5.99 | 8.02 | 4.62 | 10.49 |
| Total expenses | 20.37 | 22.84 | 14.18 | 19.52 | 12.80 | 17.08 |
| Net operating margins | 0.42 | 4.09 | 0.79 | 2.54 | 3.78 | 3.48 |
| Patronage income | 0.00 | 0.02 | 0.04 | 0.09 | 0.02 | 0.00 |
| Non-operating income | 1.26 | 0.03 | 0.05 | 0.00 | 0.42 | 0.15 |
| Net income before taxes | 1.68 | 4.14 | 0.88 | 2.63 | 4.21 | 3.63 |
| Taxes | 0.03 | 0.02 | 0.01 | 0.00 | 0.81 | 0.00 |
| Net income | 1.65 | 4.13 | 0.87 | 2.63 | 3.41 | 3.63 |
| Ratios | | | | | | |
| | <i>Percent or number</i> | | | | | |
| Current | 1.20 | 1.77 | 1.31 | 1.52 | 1.80 | 1.82 |
| Debt to asset | 0.66 | 0.73 | 0.75 | 0.56 | 0.52 | 0.41 |
| Debt to equity | 1.94 | 2.67 | 3.04 | 1.29 | 1.09 | 0.71 |
| Times interest earned | 3.30 | 3.99 | 2.71 | 6.38 | 9.11 | 17.84 |
| Total asset turnover | 2.98 | 2.35 | 6.51 | 2.20 | 3.00 | 1.34 |
| Fixed asset turnover | 11.27 | 4.09 | 14.40 | 4.36 | 9.34 | 5.29 |
| Gross profit margin | 20.75 | 21.64 | 14.14 | 14.18 | 16.50 | 19.21 |
| Return on assets | 7.18 | 13.01 | 9.10 | 6.88 | 14.18 | 5.14 |
| Return on member equity | 18.16 | 45.22 | 38.16 | 13.43 | 42.13 | 19.46 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Livestock marketing | | | | | |
|------------------------------|---|----------------------|----------------------|---------------------|--------------------|-----------------------|
| | Cooperative sales size ≥ \$250 million | \$50 to \$75 million | \$10 to \$35 million | \$5 to \$10 million | \$1 to \$5 million | Less than \$1 million |
| Balance sheet | | | | | | |
| | <i>Percent of total assets</i> | | | | | |
| Current assets | 82.33 | 87.38 | 58.51 | 48.30 | 48.71 | 62.01 |
| Other assets | 2.17 | 2.41 | 14.42 | 3.87 | 3.81 | 5.12 |
| Investments | 5.67 | 1.79 | 0.00 | 33.65 | 33.17 | 0.00 |
| PP&E ¹ (net) | 9.83 | 8.42 | 27.06 | 14.18 | 14.31 | 32.87 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 69.72 | 67.91 | 45.41 | 2.70 | 2.66 | 13.34 |
| Total liabilities | 81.39 | 77.54 | 67.89 | 2.90 | 2.86 | 16.85 |
| Allocated equity | 10.46 | 16.53 | 19.21 | 53.00 | 53.05 | 34.51 |
| Retained earnings | 8.15 | 5.93 | 12.89 | 44.10 | 44.10 | 48.64 |
| Total equity | 18.61 | 22.46 | 32.11 | 97.10 | 97.14 | 83.15 |
| 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 | 99.26 | 98.39 | 87.13 | 97.81 | 97.79 | 96.30 |
| Gross margin | 0.74 | 1.61 | 12.87 | 2.19 | 2.21 | 3.70 |
| Service and other income | 0.96 | 3.02 | 4.15 | 0.53 | 0.52 | 0.81 |
| Gross revenue | 1.70 | 4.63 | 17.03 | 2.72 | 2.72 | 4.50 |
| Expenses | | | | | | |
| Wages | 0.91 | 1.80 | 7.97 | 1.76 | 1.74 | 2.27 |
| Depreciation | 0.06 | 0.32 | 1.46 | 0.07 | 0.07 | 0.45 |
| Interest | 0.15 | 0.91 | 0.80 | 0.03 | 0.03 | 0.11 |
| Other | 0.53 | 1.02 | 6.06 | 1.34 | 1.38 | 1.73 |
| Total expenses | 1.65 | 4.05 | 16.29 | 3.20 | 3.21 | 4.56 |
| Net operating margins | 0.05 | 0.59 | 0.74 | -0.48 | -0.49 | -0.06 |
| Patronage income | 0.09 | 0.03 | 0.00 | 0.00 | 0.00 | 0.00 |
| Non-operating income | 0.07 | 0.10 | 0.05 | 0.22 | 0.23 | 0.20 |
| Net income before taxes | 0.21 | 0.72 | 0.79 | -0.26 | -0.27 | 0.14 |
| Taxes | 0.00 | 0.18 | 0.00 | 0.01 | 0.01 | 0.00 |
| Net income | 0.21 | 0.54 | 0.79 | -0.28 | -0.28 | 0.14 |
| Ratios | | | | | | |
| | <i>Percent or number</i> | | | | | |
| Current | 1.18 | 1.29 | 1.29 | 17.88 | 18.29 | 4.65 |
| Debt to asset | 0.81 | 0.78 | 0.68 | 0.03 | 0.03 | 0.17 |
| Debt to equity | 4.37 | 3.45 | 2.11 | 0.03 | 0.03 | 0.20 |
| Times interest earned | 2.41 | 1.79 | 1.98 | -8.45 | -8.70 | 2.29 |
| Total asset turnover | 14.61 | 2.17 | 2.27 | 18.12 | 18.21 | 8.75 |
| Fixed asset turnover | 148.69 | 25.75 | 8.38 | 127.83 | 127.30 | 26.62 |
| Gross profit margin | 0.74 | 1.61 | 12.87 | 2.19 | 2.21 | 3.70 |
| Return on assets | 5.29 | 3.54 | 3.59 | -4.27 | -4.33 | 2.25 |
| Return on member equity | 29.39 | 7.13 | 9.28 | -9.47 | -9.56 | 3.67 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Dry bean and pea marketing | | Nut marketing | | Ethanol mktg. |
|------------------------------|--------------------------------|------------------|-------------------|-------------------|---------------|
| Cooperative sales size | ≥ \$15 million | < \$8 million | ≥ \$25 million | < \$15 million | All sizes |
| Balance sheet | | | | | |
| | <i>Percent of total assets</i> | | | | |
| Current assets | 81.81 | 79.68 | 67.56 | 49.41 | 27.22 |
| Other assets | 0.17 | 0.10 | 6.56 | 3.67 | 1.10 |
| Investments | 4.62 | 1.44 | 1.35 | 0.25 | 3.44 |
| PP&E ¹ (net) | 13.39 | 18.77 | 24.53 | 46.67 | 68.25 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 71.25 | 54.56 | 44.12 | 39.31 | 19.46 |
| Total liabilities | 74.58 | 57.93 | 67.54 | 71.25 | 35.13 |
| Allocated equity | 21.27 | 26.35 | 16.52 | 19.23 | 35.96 |
| Retained earnings | 4.15 | 15.72 | 15.94 | 9.52 | 28.92 |
| Total equity | 25.42 | 42.07 | 32.46 | 28.75 | 64.87 |
| 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 | 86.95 | 85.85 | 86.39 | 79.17 | 87.30 |
| Gross margin | 13.05 | 14.15 | 13.61 | 20.83 | 12.70 |
| Service and other income | 0.41 | 7.07 | 0.00 | 35.52 | 0.00 |
| Gross revenue | 13.46 | 21.22 | 13.61 | 56.35 | 12.70 |
| Expenses | | | | | |
| Wages | 5.53 | 9.19 | 6.62 | 16.26 | 1.37 |
| Depreciation | 1.44 | 1.87 | 0.77 | 4.58 | 3.40 |
| Interest | 1.39 | 1.13 | 1.27 | 2.32 | 0.61 |
| Other | 1.99 | 4.25 | 1.83 | 21.48 | 5.53 |
| Total expenses | 10.35 | 16.45 | 10.50 | 44.64 | 10.90 |
| Net operating margins | 3.11 | 4.77 | 3.12 | 11.70 | 1.80 |
| Patronage income | 0.64 | 0.00 | 0.07 | 0.05 | 0.01 |
| Non-operating income | -0.24 | 0.72 | 0.10 | 0.11 | 0.45 |
| Net income before taxes | 3.51 | 5.49 | 3.28 | 11.86 | 2.26 |
| Taxes | 0.15 | 0.63 | 0.02 | 0.12 | 0.13 |
| Net income | 3.36 | 4.86 | 3.27 | 11.74 | 2.13 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.15 | 1.46 | 1.53 | 1.26 | 1.40 |
| Debt to asset | 0.75 | 0.58 | 0.68 | 0.71 | 0.35 |
| Debt to equity | 2.93 | 1.38 | 2.08 | 2.48 | 0.54 |
| Times interest earned | 3.52 | 5.84 | 3.58 | 6.12 | 4.70 |
| Total asset turnover | 1.39 | 1.40 | 2.70 | 0.97 | 1.88 |
| Fixed asset turnover | 10.40 | 7.47 | 10.99 | 2.09 | 2.75 |
| Gross profit margin | 13.05 | 14.15 | 13.61 | 20.83 | 12.70 |
| Return on assets | 6.83 | 9.29 | 12.28 | 13.82 | 5.39 |
| Return on member equity | 22.00 | 25.84 | 53.29 | 59.50 | 11.11 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Rice marketing | | Tobacco marketing | | Wool marketing |
|------------------------------|--------------------------------|-------------------|-------------------|------------------|----------------|
| Cooperative sales size | ≥ \$50 million | < \$15 million | ≥ \$ 4 million | < \$4 million | All sizes |
| Balance sheet | | | | | |
| | <i>Percent of total assets</i> | | | | |
| Current assets | 67.27 | 56.99 | 91.38 | 37.59 | 3.79 |
| Other assets | 1.42 | 8.03 | 5.05 | 1.83 | 87.52 |
| Investments | 0.32 | 12.06 | 0.00 | 0.00 | 0.00 |
| PP&E ¹ (net) | 30.99 | 22.92 | 3.57 | 60.57 | 8.69 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 50.37 | 41.79 | 19.56 | 11.80 | 0.00 |
| Total liabilities | 60.52 | 43.93 | 19.77 | 13.23 | 21.56 |
| Allocated equity | 34.24 | 87.20 | 8.58 | 69.65 | 78.44 |
| Retained earnings | 5.23 | -31.13 | 71.64 | 17.12 | 0.00 |
| Total equity | 39.48 | 56.07 | 80.23 | 86.77 | 78.44 |
| 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 | 66.96 | 98.98 | 99.03 | 86.56 | 36.92 |
| Gross margin | 33.04 | 1.02 | 0.97 | 13.44 | 63.08 |
| Service and other income | 1.98 | 2.05 | 3.50 | 32.32 | 3.35 |
| Gross revenue | 35.02 | 3.07 | 4.48 | 45.76 | 66.43 |
| Expenses | | | | | |
| Wages | 8.83 | 1.42 | 3.99 | 17.48 | 1.70 |
| Depreciation | 1.59 | 0.11 | 0.34 | 4.32 | 0.00 |
| Interest | 0.39 | 0.08 | 0.03 | 0.62 | 0.00 |
| Other | 21.19 | 1.35 | 4.51 | 22.77 | 58.41 |
| Total expenses | 32.01 | 2.95 | 8.87 | 45.20 | 60.11 |
| Net operating margins | 3.01 | 0.12 | -4.40 | 0.56 | 6.32 |
| Patronage income | 0.02 | 0.00 | 0.00 | 0.00 | 0.02 |
| Non-operating income | 0.17 | 0.01 | 8.83 | 0.00 | 0.00 |
| Net income before taxes | 3.20 | 0.13 | 4.43 | 0.56 | 6.34 |
| Taxes | 0.05 | 0.02 | 0.77 | 0.00 | 0.00 |
| Net income | 3.15 | 0.11 | 3.66 | 0.56 | 6.34 |
| Ratios | | | | | |
| | <i>Percent or number</i> | | | | |
| Current | 1.34 | 1.36 | 4.67 | 3.19 | 0.00 |
| Debt to asset | 0.61 | 0.44 | 0.20 | 0.13 | 0.22 |
| Debt to equity | 1.53 | 0.78 | 0.25 | 0.15 | 0.27 |
| Times interest earned | 9.11 | 2.64 | 170.10 | 1.91 | 0.00 |
| Total asset turnover | 2.46 | 17.80 | 0.30 | 0.36 | 1.58 |
| Fixed asset turnover | 7.94 | 77.69 | 8.32 | 0.59 | 18.15 |
| Gross profit margin | 33.04 | 1.02 | 0.97 | 13.44 | 63.08 |
| Return on assets | 8.84 | 3.66 | 1.32 | 0.42 | 9.99 |
| Return on member equity | 22.63 | 2.30 | 12.68 | 0.29 | 12.74 |

(continued next page)

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (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 | 43.33 | 50.28 | 25.09 | 75.94 |
| Other assets | 18.45 | 1.96 | 2.25 | 9.65 |
| Investments | 0.74 | 10.40 | 3.52 | 0.00 |
| PP&E ¹ (net) | 37.48 | 37.36 | 69.14 | 14.41 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 39.42 | 48.67 | 21.90 | 31.72 |
| Total liabilities | 70.96 | 57.84 | 47.13 | 49.43 |
| Allocated equity | 34.35 | 34.72 | 49.75 | 15.61 |
| Retained earnings | -5.30 | 7.43 | 3.11 | 34.96 |
| Total equity | 29.04 | 42.16 | 52.87 | 50.57 |
| 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 | 80.59 | 74.53 | 71.41 | 93.60 |
| Gross margin | 19.41 | 25.47 | 28.59 | 6.40 |
| Service and other income | 2.22 | 4.79 | 0.28 | 3.78 |
| Gross revenue | 21.63 | 30.27 | 28.87 | 10.19 |
| Expenses | | | | |
| Wages | 8.76 | 7.13 | 12.63 | 0.42 |
| Depreciation | 3.13 | 2.37 | 2.66 | 0.06 |
| Interest | 1.53 | 1.06 | 2.24 | 0.02 |
| Other | 6.42 | 18.99 | 12.78 | 8.89 |
| Total expenses | 19.84 | 29.56 | 30.31 | 9.40 |
| Net operating margins | 1.79 | 0.71 | -1.44 | 0.79 |
| Patronage income | 0.03 | 0.00 | 0.09 | 0.00 |
| Non-operating income | -0.45 | 1.05 | 0.96 | 0.00 |
| Net income before taxes | 1.36 | 1.76 | -0.40 | 0.79 |
| Taxes | -0.03 | 0.23 | 0.25 | 0.00 |
| Net income | 1.39 | 1.53 | -0.64 | 0.79 |
| Ratios | | <i>Percent or number</i> | | |
| Current | 1.10 | 1.03 | 1.15 | 2.39 |
| Debt to asset | 0.71 | 0.58 | 0.47 | 0.49 |
| Debt to equity | 2.44 | 1.37 | 0.89 | 0.98 |
| Times interest earned | 1.89 | 2.66 | 0.82 | 35.97 |
| Total asset turnover | 1.48 | 1.92 | 1.32 | 24.98 |
| Fixed asset turnover | 3.94 | 5.13 | 1.91 | 173.40 |
| Gross profit margin | 19.41 | 25.47 | 28.59 | 6.40 |
| Return on assets | 4.27 | 5.41 | 2.44 | 20.31 |
| Return on member equity | 6.00 | 8.45 | -1.71 | 126.56 |

Appendix table 6—Common size analysis, by cooperative type and size, 2008 (continued)

| Type of cooperative | Rice drier | Transportation | | Storage | Hulling |
|------------------------------|------------|------------------|--------------------------------|-----------|-----------|
| Cooperative sales size | | ≥ \$1 million | < \$ 1 million | | |
| | All sizes | | | All sizes | All sizes |
| Balance sheet | | | <i>Percent of total assets</i> | | |
| Current assets | 35.69 | 48.05 | 41.63 | 50.92 | 37.72 |
| Other assets | 3.88 | 1.54 | 2.22 | 2.88 | 2.23 |
| Investments | 0.41 | 1.95 | 2.94 | 0.00 | 0.24 |
| PP&E ¹ (net) | 60.03 | 48.46 | 53.20 | 46.19 | 59.81 |
| Total assets | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| Current liabilities | 26.83 | 30.24 | 13.30 | 11.76 | 26.19 |
| Total liabilities | 27.66 | 38.90 | 14.83 | 15.44 | 40.71 |
| Allocated equity | 65.13 | 47.99 | 78.89 | 80.57 | 58.61 |
| Retained earnings | 7.21 | 13.10 | 6.28 | 3.99 | 0.68 |
| Total equity | 72.34 | 61.10 | 85.17 | 84.56 | 59.29 |
| 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 | 32.22 | 27.42 | 47.70 | 30.30 | 13.70 |
| Depreciation | 6.68 | 6.15 | 9.86 | 6.90 | 5.38 |
| Interest | 0.10 | 0.38 | 0.29 | 0.12 | 0.77 |
| Other | 33.00 | 60.63 | 36.83 | 45.78 | 31.19 |
| Total expenses | 72.00 | 94.59 | 94.68 | 83.10 | 51.04 |
| Net operating margins | 28.00 | 5.41 | 5.32 | 16.90 | 48.96 |
| Patronage income | 0.00 | 0.39 | 0.29 | 0.00 | 0.00 |
| Non-operating income | 0.62 | 0.49 | 1.32 | 0.32 | 0.31 |
| Net income before taxes | 28.62 | 6.29 | 6.93 | 17.22 | 49.27 |
| Taxes | 0.02 | 0.01 | 0.00 | 0.48 | 1.35 |
| Net income | 28.60 | 6.28 | 6.93 | 16.74 | 47.92 |
| Ratios | | | <i>Percent or number</i> | | |
| Current | 1.33 | 1.59 | 3.13 | 4.33 | 1.44 |
| Debt to asset | 0.28 | 0.39 | 0.15 | 0.15 | 0.41 |
| Debt to equity | 0.38 | 0.64 | 0.17 | 0.18 | 0.69 |
| Times interest earned | 280.72 | 17.36 | 25.03 | 141.94 | 65.23 |
| Return on assets | 23.38 | 17.10 | 6.45 | 7.81 | 42.51 |
| Return on member equity | 35.75 | 33.55 | 7.85 | 9.35 | 69.45 |

Appendix Table 7—Cooperative net income before taxes, 1999-2008¹

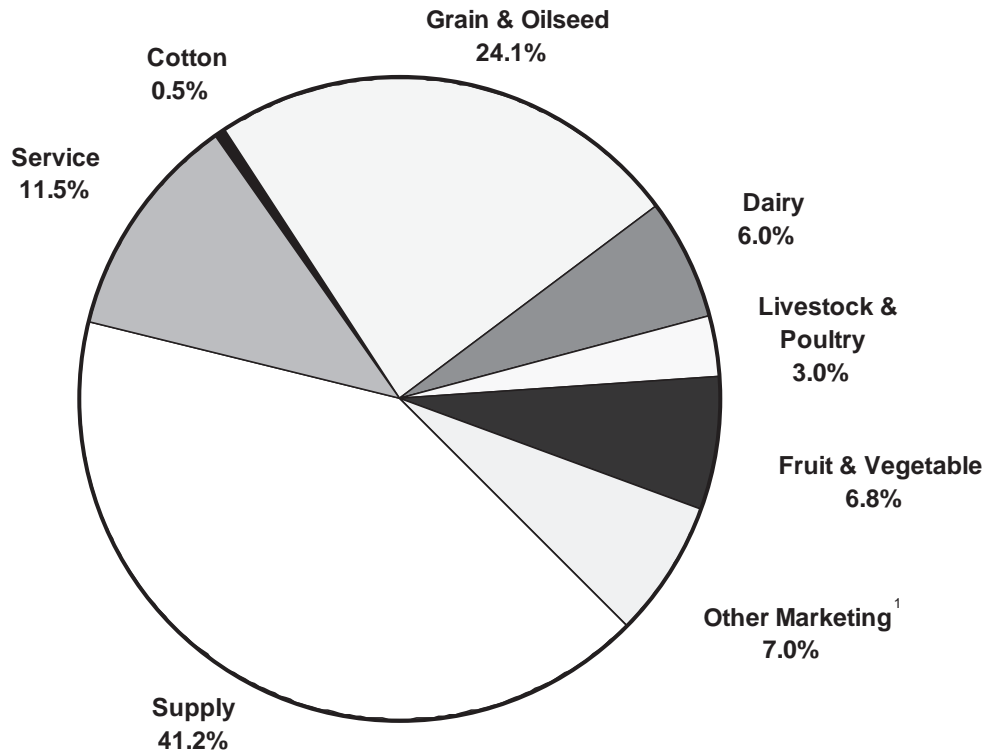
| Year | Net operating margins | From other cooperatives ² | Total |
|------|-----------------------|--------------------------------------|-------|
| | | <i>Million dollars</i> | |
| 1999 | 945 | 384 | 1,328 |
| 2000 | 1,041 | 235 | 1,276 |
| 2001 | 1,039 | 318 | 1,357 |
| 2002 | 847 | 362 | 1,210 |
| 2003 | 1,013 | 92 | 1,105 |
| 2004 | 1,993 | 335 | 2,328 |
| 2005 | 2,147 | 401 | 2,548 |
| 2006 | 2,665 | 498 | 3,163 |
| 2007 | 3,184 | 646 | 3,830 |
| 2008 | 3,966 | 864 | 4,830 |

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

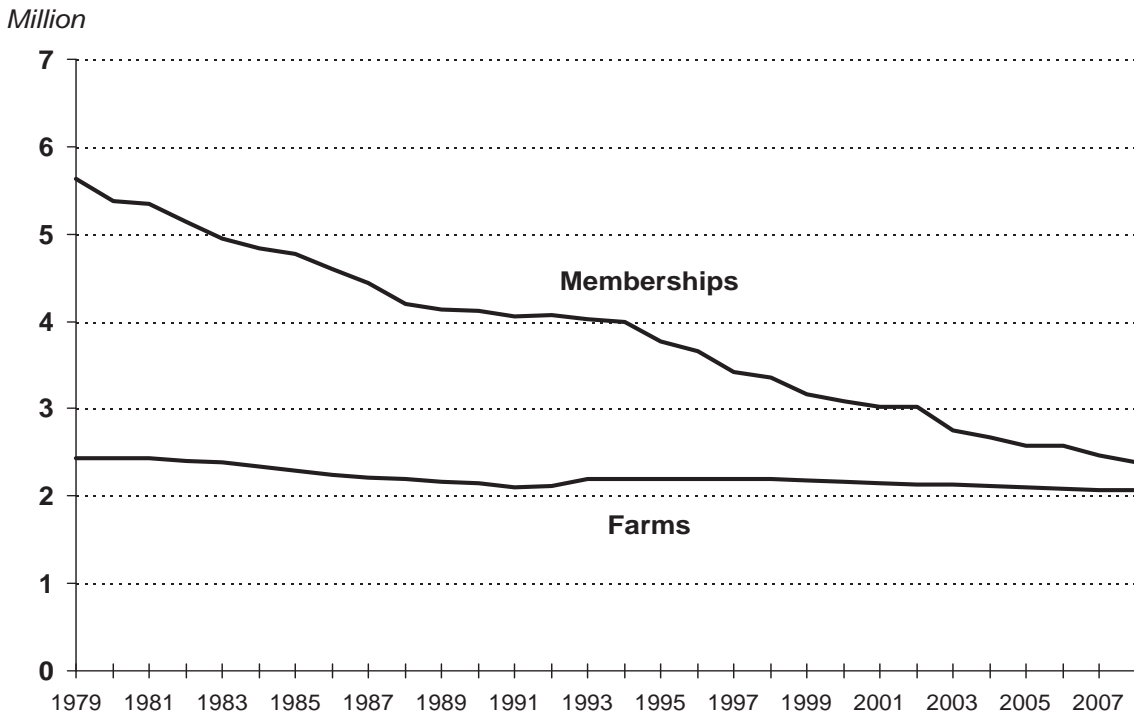
Appendix Figure 1—Distribution of Cooperatives by Type, 2008



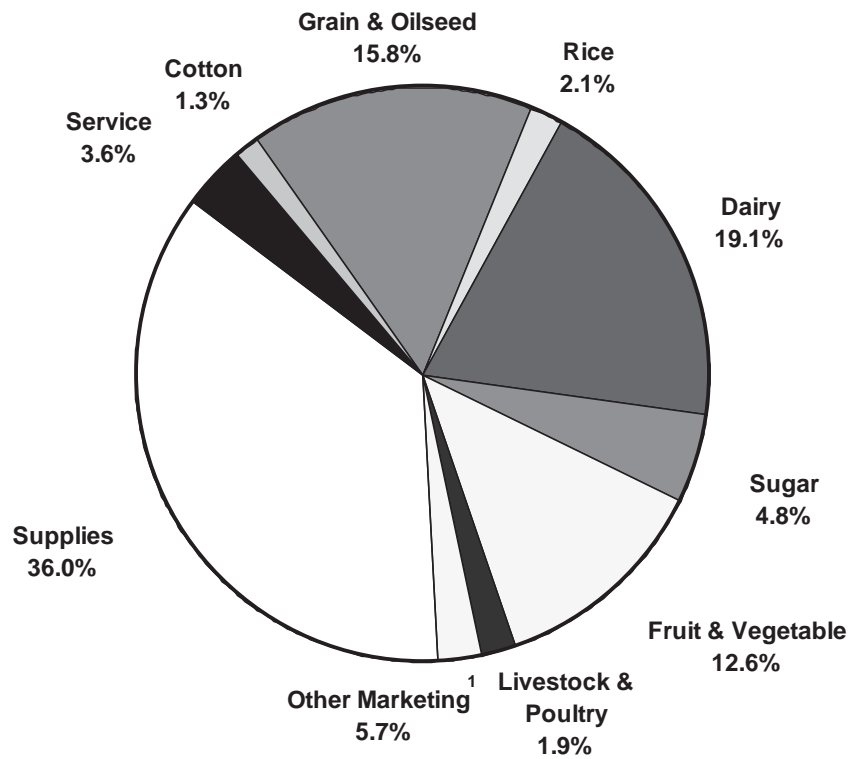
Percentages are based on a total of 2,473 cooperatives.

¹Includes 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, 1979-2008



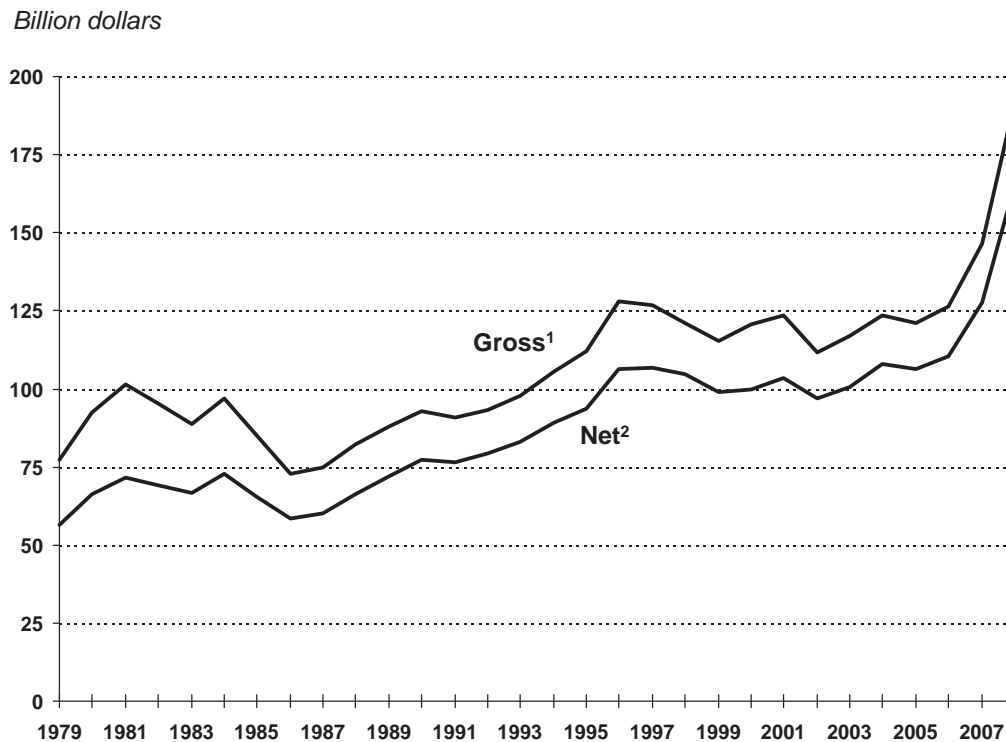
Appendix Figure 3—Distribution of Full-Time Employees by Cooperatives Type, 2008



Percentages are based on a total of 124.4 thousand full-time employees.

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

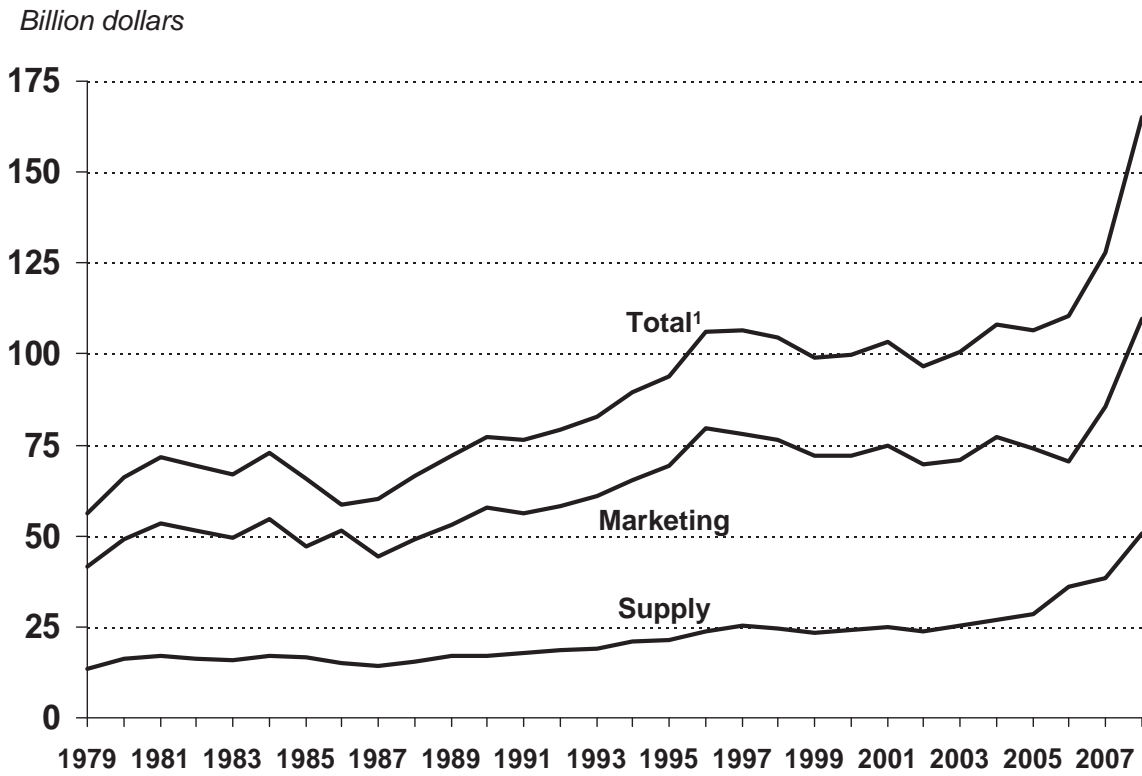
Appendix Figure 4—Cooperatives' Gross and Net Business Volumes, 1979-2008



¹ Includes inter-cooperative business.

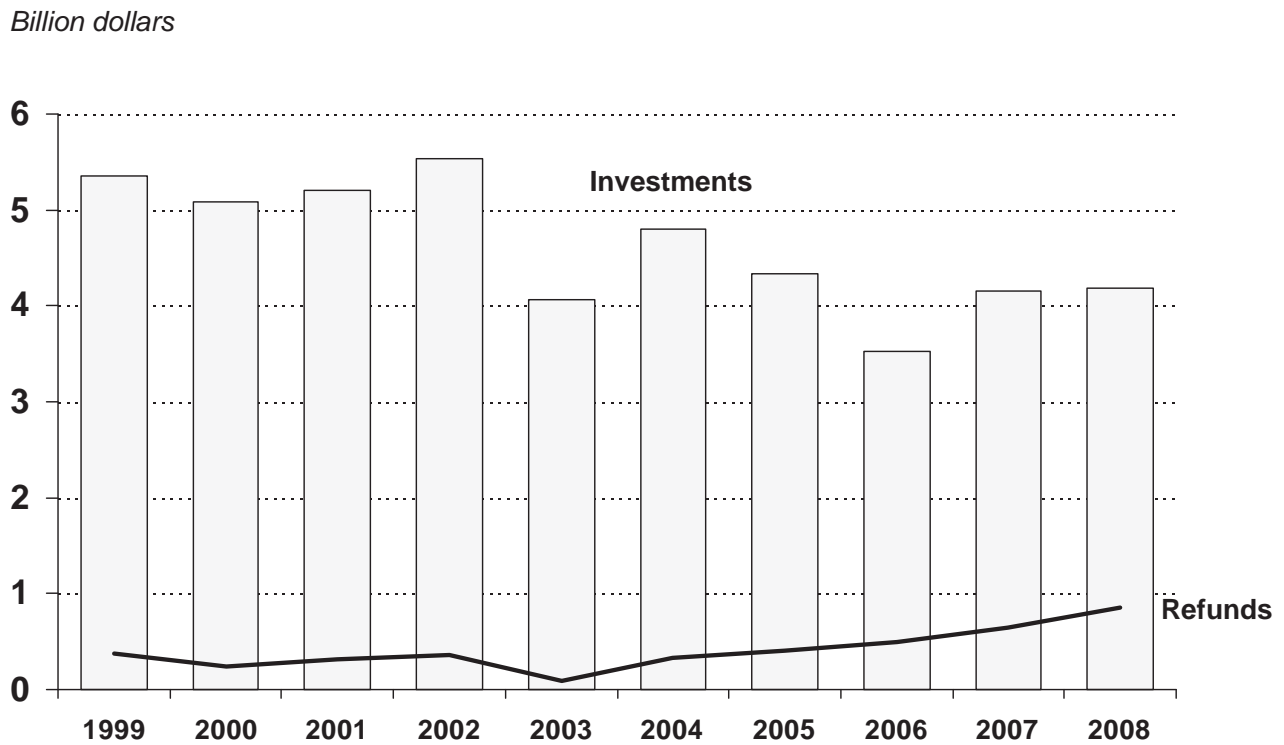
² Excludes inter-cooperative business.

Appendix Figure 5—Cooperative’s Net Business Volume, 1979-2008



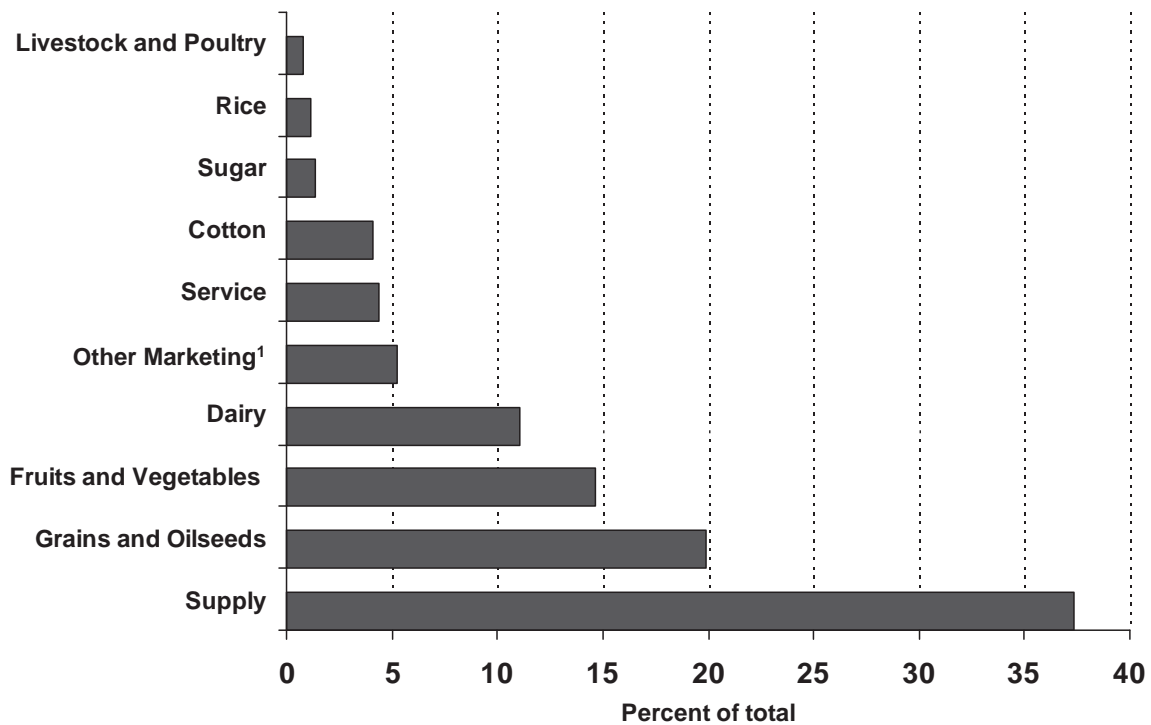
¹ Total includes value of related services and other income.

Appendix Figure 6—Cooperatives’ Investments in Other Cooperatives and Patronage Refunds Received from Other Cooperatives¹, 1999-2008



¹ Includes other cooperatives and CoBank.

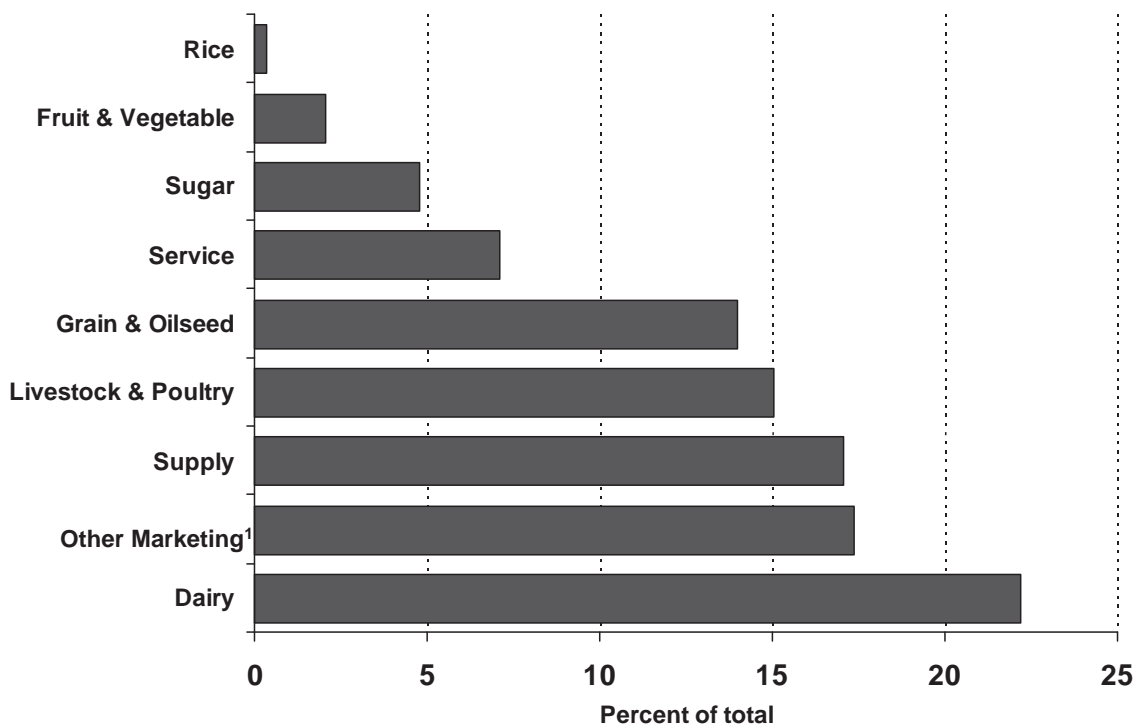
Appendix Figure 7—Distribution Net Income, by Cooperative Type, 2008



Percentage based on net income before taxes of \$4.8 billion.

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

Appendix Figure 8—Distribution of Losses, by Cooperatives Type, 2008



Percentage based on total losses of \$74 million.

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



USDA



**Rural
Development**

Committed to the future of rural communities.

