

MONTHLY REVIEW

of Financial and Business Conditions



RESERVE
DISTRICT

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TEMPERATURES below freezing occurred in numerous fruit-growing areas of the District on April 7. At that time fruit buds were much further advanced than usual and at the same time they were in fewer number as a result of last summer's drought. As a consequence, the damage to peaches and apples in particular is likely to be greater than it was two years ago. This damage, however, does not appear to have reached to important peach growing areas of North and South Carolina.

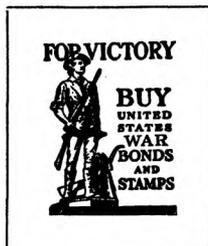
Strawberry crops of the Carolinas had already started to market a month ahead of normal schedule and frost damage was not severe, but this crop in Virginia and Maryland—where the greater part of the District's production is located—was caught at the blooming stage. Indications at present are that only a half crop will be produced in these areas.

The unusually warm and dry March weather permitted farmers to advance their spring preparations well ahead of where they normally are at this stage of the season, but some retardation of efforts became noticeable in states other than West Virginia in the early part of April when the lack of rainfall for a considerable period made the soil too hard to work. Temporary relief to the extent of about a half-inch of rain came shortly after the middle of April in most areas. The accumulated moisture deficiency, however, is more than four inches. This means that early crops will have no reserve of moisture and normal yields will result only if rains fall at the opportune time.

Early potatoes and truck crops were reported to be doing well in the Carolinas at the turn of April, while the early April freeze killed and will necessitate replant-

ing of considerable acreages of truck in Virginia and Maryland. Crop conditions of West Virginia early in April were the best in several years.

The early spring weather has caused tobacco plant growth to run ahead of normal by two to three weeks. A considerable acreage had been set in the Border Belt by the first of April, or about two weeks in advance of the usual transplanting time. Turkish tobacco will be planted on 150 North Carolina farms this year in the first large-scale experiment of this kind. This tobacco, which sold for as much as \$1 to \$2 a pound before the war, will be grown in the Piedmont and mountain sections of the state, but not in the coastal plain area since it does not grow well there.



If the advance in the growing season holds for the other belts, the tobacco markets will probably open one to two weeks earlier this year than usual. This would probably have some adverse effect on the cultivation of corn and cotton, which are usually "laid by" during July.

Representatives of the world's leading cotton exporting nations, meeting in Washington as the International Cotton Advisory Committee, reached general agreement on April 2 on the need for international action to correct the wide gap between world cotton consumption and excessive cotton stocks. The informal agreement seems likely to result in recommendations by the members of the Committee to their governments that negotiations be undertaken for an international commodity agreement for cotton, and it is probable that some such agreement will eventuate. An agreement on this commodity which will give the growers a satisfactory income and, at the same

BUSINESS INDEXES—FIFTH FEDERAL RESERVE DISTRICT

Average Daily 1935-39=100 Seasonally Adjusted

	March 1945	Feb. 1945	Jan. 1945	March 1944	% Change	
					March Feb. '45	March 1945 from March '44
Bank Debits.....	216	221	209	202	- 2	+ 7
Bituminous Coal Production*	139	139	142r	147	0	- 5
Building Contracts Awarded.....	82	76	103	100	+ 8	- 18
Building Permits Issued.....	45	25	64	21	+80	+114
Cigarette Production.....	152	149	151	167	+ 2	- 9
Cotton Consumption*.....	144	149	145	155	- 3	- 7
Department Store Sales.....	249	251	238	212	- 1	+ 17
Department Store Stocks.....	169	172	178	172	- 2	- 2
Life Insurance Sales.....	152	146	140	131	+ 4	+ 16
Wholesale Trade—Four Lines.....	182	189	198	180	- 4	+ 1
Retail Furniture Sales.....	175	145	157	123	+21	+ 42

* Not seasonally adjusted.

time, permit it to compete freely with synthetic fibers will be difficult to consummate. Unless an agreement can be reached to include all cotton-growing countries, and at the same time permit a competitive price, cotton will continue to be a retarding factor in the economic progress of this District.

The termination of the European war is not too far distant, and at the same time the movement of the Japanese war into more northern latitudes would seem to lessen the military demands for cotton goods considerably some time this year. This would not have any adverse effect on the demand for cotton goods, however, for the domestic civilian, lend-lease, and relief requirements will undoubtedly continue to tax the industry's capacity for some time to come.

Stocks of cotton goods are practically non-existent at the mill level, and they are badly depleted and grossly unbalanced at wholesale and retail levels. It might appear on first thought that the rebuilding of wholesale and retail inventories would not require much time due to the fact that a large part of this type of merchandise inventory normally turns over from three to four times a year. It must be remembered, however, that the amount of time required to replenish cotton goods inventories at the wholesale and retail levels will depend on how rapidly these goods move on into consumption channels.

Meanwhile, the cotton textile industry is having its difficulties in maintaining production. The industry's chief problem at this time is one of manpower, but the dearth of manpower has resulted in other production complications, such as increasing unit costs and eliminating partial production on third shifts. Owing to high turnover in shipyards and aircraft plants of the District, opportunities still exist for some shifting of textile workers to these industries. By summer, however, opportunities to shift employment to the higher paying war industries in nearby localities will not be so prevalent. It seems reasonable to believe that this will reduce the absence rate and lower the labor turnover in the textile industry. Thus, there is some prospect that if the production of cotton textiles hasn't already stabilized, it will probably do so by summer.

The record of cotton consumption in the District since the middle of 1944 indicates that a stabilization in output has already been effected. March daily average cotton consumption in the District was 3 per cent lower than in February, but was the same as the August-January average.

Textile machinery firms located in New England are reported to have reconverted 100 per cent from war to peace-time activities. Labor supplies in New England are scarcer than in many other sections of the country. Textile machinery firms, however, should at least be able to use those employees they had before reconversion, since the reconversion was directed by the War Production Board for the purpose of improving the textile supply situation. It is not known how long it will take the textile machinery firms to get back in production, but it would seem that by the end of the year a fair amount of new machinery would be available to the mills of this District. In view of the wage increase recently approved by the Economic Stabilization Director, together with increasing unit costs and no nearby improvement in the labor supply, it is probable that new machinery will be installed in volume in Fifth District mills at the earliest opportunity.

Coal operators and miners signed a new wage contract on April 11, which operators estimated would raise basic miners' earnings an average of \$1.25 to \$1.30 a day for a six-day week. The agreement provides that overtime will start after the 35th hour of the week instead of the 40th hour as in the previous contract. Under the expiring contract, the base rate formula gave \$57.06 for six days' work. Under the new agreement, the pay will be \$63.50 for the same number of days; \$10 a day for 5 days and the 6th day at time and a half, or \$13.50. Since the new contract does not change the miners' basic wage rate, it is believed that approval will be given by government agencies. It is estimated that a rise in coal prices in the neighborhood of 25 cents a ton would be required to compensate for the increase in wage costs.

Bituminous coal production of this District in March held at the same daily rate as in February, and was 5 per cent smaller than in March, 1944. In the first three months of 1945 the District's output of coal was 6 per cent below the same months of 1944. Despite the 30-day extension of the contract, which expired on March 31, there was a substantial amount of tonnage lost by unauthorized work stoppages, and the April production will be reduced notably from the March level.

The expansion of 84 navy war ships referred to in the March Monthly Review has since been cut to 12 escort carriers. Since that part of the 84 ships canceled would not have been delivered before the end of 1946 or in 1947, it is assumed that navy yards and others working on naval construction still have orders on hand to fully occupy them for the remainder of this year and the greater part of next year. Thus, employment will likely be available at the Hampton Roads yards and at Charleston, S. C., somewhere near present levels well into 1946 under present reckoning. These three yards, working on war ships, are employing something over 80 thousand workers at this time.

Employment in Maryland's shipyards in February was 24 per cent smaller than a year ago, and 32 per cent below the high point in 1943. Payrolls in this industry in February were 16 per cent below that month last year and were 30 per cent smaller than the 1943 peak month. Employment in Maryland's aircraft industries in February was 20 per cent smaller than a year earlier, and 32 per cent below the best level reached in April, 1943. Payrolls in this industry were 23 per cent lower in February, 1945, than in February, 1944, which was the peak payroll month in this industry. In the third quarter of 1943, something over 50,000 workers were employed in Maryland's aircraft industries, while employment at the state's shipyards was over 70,000. Thus it is apparent from the employment reduction that the problem of contract termination in aircraft and shipbuilding industries, while still affecting a large number of workers, will not be as imposing as it would have been two years ago.

Department store sales in March continued at the high level established in February after correction for seasonal variations and the early advent of Easter. Although one per cent below the February level, the March seasonally adjusted index was 17 per cent higher than in March, 1944. The first three months of 1945 have witnessed a decided acceleration in department store sales, and one which, in view of the unbalanced inventory position, will be difficult to maintain unless the hidden price rise in goods substitution be sufficiently important to offset lower volume of sales in many standard types of merchandise.

The Poultry Industry of Rockingham County, Virginia

The poultry industry of Rockingham County, Virginia, is of major importance as an income producer to the economy of the county, and of considerable significance as an integral contributor to the economy of the Fifth Federal Reserve District.

The importance of the industry as an income producer is apparent in Census data on value of farm products which indicates that in 1939 (the latest date for which Census data are available) the poultry and products industry accounted for \$2.6 million, or 41.4 per cent of the total agricultural income in the county. However, these Census figures do not properly reflect the present magnitude of the industry, for there has been a tremendous expansion within the past five years. By 1944, estimates compiled by the County Agent in conjunction with the district Extension Agent indicate that the poultry and products industry in Rockingham County had expanded to produce \$18.9 million of products, or approximately 65 per cent of the total value of farm products produced in this county.

The development of an important poultry industry in this county has taken place within the fifteen year period between 1928 and 1944, with the principal expansion occurring in the past five years, as noted above. This growth in production may be illustrated by figures released by the County Agent, showing the estimated production of poultry by type in Rockingham County.

TABLE I.
ESTIMATED POULTRY PRODUCTION ROCKINGHAM COUNTY
(numbers in thousands)

	Number		Change	
	1928	1944	Number	%
Commercial broilers	1,000	12,000	+11,000	+1,100
Turkeys	30	500	+ 470	+1,567

Source: Based on data reported by the County Agent in *The County Officer*, October, 1944.

The development of a poultry industry of the present magnitude in this county may be attributed to a number of different factors, some of which are peculiar to the area. The principal factors, in approximate order of importance, contributing to the growth of the industry in this area include:

i. The thrifty and industrious nature of the people of this county, many of whom are members of the Mennonite faith. Poultrymen in the area contend that this is probably the most important single factor contributing to the growth of the industry, particularly under the contract feed system, as later described. The successful development of poultry is to a great extent a matter of effort expended, so that the importance of a large supply of industrious farm labor is readily apparent. In addition, honesty and integrity are essential to the operation of the "shares" system.

ii. The method of "shares" contracting worked out by the various feed mills with the farmers. Under this method, which will be discussed in detail later on in this paper, the farmer is relieved of the necessity of furnishing his capital and of absorbing losses.

iii. The proximity to markets along the eastern seaboard is another important contributing factor. The

poultry products can be hauled overnight to most of the major eastern terminal markets, thus giving the area competitive advantage over the midwestern producing areas, since the eastern markets, particularly the New York market, are the principal poultry markets.

iv. The decline of the lumber industry and the subsequent impoverishment of certain sections in the northwestern part of the county resulted in farmers in these sections turning to poultry raising as a source of income. In the early thirties a great proportion of these people were on relief, and dependent for subsistence on gardens, perhaps a few laying hens, etc. In turning to poultry raising these farmers have been rendered economically independent, thus benefiting the entire area.

v. Another factor, particularly instrumental in the above noted conversion of farmers in this so-called "Brocks Gap" area to poultry raising and in the development of the "shares" system, was the concerted action of a small group of individuals headed by the then county agent.

vi. A final factor, of diminishing importance with the introduction of scientific feeding and breeding, is the general topography of the county which consists of rolling, limestone land. This rolling country assists in the provision of proper drainage of the poultry range, while the lime is considered of some value in building the bone of the fowl.

Before attempting a description of the operation of the poultry industry in this county, it should be noted that the poultry industry as such may be divided into three main divisions: (a) eggs, (b) commercial broilers, (c) turkeys. The relative size and importance of these divisions are shown in the following table:

TABLE II.
ESTIMATED VALUE OF POULTRY PRODUCTS
ROCKINGHAM COUNTY
1944

Type	Production (000)	Value (\$000)
Broilers	12,000	12,000
Turkeys	500	2,500
Eggs (dozen)	4,740	1,422

Source: Based on data supplied by the County Agent in conjunction with the district Extension Agent, *The County Officer*, October 1944.

While each of the above divisions overlap as to certain features, they may be segregated for descriptive purposes since there are some fundamental differences in production, marketing, and financing.

DESCRIPTION OF THE INDUSTRY

The poultry industry of Rockingham County is closely integrated within the area of the county. This local integration of the industry deserves special emphasis. For, as a result of this integration, a larger proportion of the income from the industry is retained within the county. Within the county may be found the producers of chicken and turkey eggs, the commercial hatcheries, the feed mills, the producers of chickens and turkeys, the establishments manufacturing brooders and other equipment used in the production of chickens and turkeys, the dressing plants

where the poultry is dressed for market, the truckers who buy the poultry and carry it to market, cold storage plants where the poultry may be held in storage, and, as the newest development, a "quick-freezing" addition to one of these plants to freeze the poultry for marketing to the consumer in packaged form.

In considering where to break into this process for purpose of description, it may be most logical to discuss first the production of chicken eggs through to the stage where the baby chicks are hatched and farmed out to be grown and sold as commercial broilers.

CHICKEN EGGS

The chicken eggs are produced on farms throughout the county, with no particular concentration of production. Flocks range in size from less than 50 layers to as many as 1,500 layers. These flocks produce eggs the year around. Although there is ordinarily a five- to six-week period of resting or "molting" of layers in the fall, when the layers may not produce the normal number of eggs, this period is generally offset by adding new stock, etc. In 1944, these flocks produced an estimated 4.7 million dozen of eggs.

All of the eggs produced are marketed within the county, either to the commercial hatcheries, or for direct consumption purposes to produce establishments (generally Federal and State approved as to egg grading) which grade, inspect, and purchase the eggs for shipment to eastern terminal markets. In connection with the marketing of eggs to the hatcheries, it may be noted that the county's hatcheries are almost all "certified hatcheries" (i.e., certified by the Virginia State Department of Agriculture). In order to qualify as a "certified hatchery", the hatchery must buy eggs only from certified flocks. This means that the bulk of the breeding flocks in the county supplying the hatcheries with eggs are under the direct inspection and supervision of the Virginia State Department of Agriculture. While the farmer has to pay a fee for the inspection and certification of his flock, the hatchery pays a flat premium for eggs from State certified flocks of at least 18 cents a dozen over the day's market price. The State Department of Agriculture now maintains a Regional Laboratory at Harrisonburg which provides facilities for inspection and the rapid determination of disease. As a result of the necessity for certification, the flock owners in this area, assisted by the hatchery, follow a rigid breed improvement and disease control program. The current most popular breed in this area for producing eggs for consumption is the white leghorn.

There is practically no working-capital credit required for the production of eggs, since eggs are marketed weekly and this turnover enables the farmer to meet his own needs in this respect. It is unlikely that there will be much borrowing, but any need for credit in this division of the poultry industry would probably occur around the molting season in the fall.

COMMERCIAL BROILERS

The commercial broiler division, as indicated in Table II, constitutes the most important segment of the poultry industry in this area. Commercial broilers provide the largest single source of farm income in the area, and a source of income that is not confined to a relatively few

producers but may be found throughout the county. All of the approximately 4,000 farms in the rural area of Rockingham County, (including those small farms with only a few acres of land) raise poultry, and it is the principal product for 50 per cent of the farms. While on the very large farms poultry raising may be merely a sideline, for the most part carried on by the women and children, nevertheless these farms as well as the others do raise some poultry.

Since the raising of commercial broilers on a wide scale in this county is dependent on the commercial hatcheries in the area for the supply of baby chicks, some attention should be given to this phase of the industry. In December, 1944, the hatcheries in Rockingham County had an estimated continuous capacity of 3.4 million eggs. The hatcheries range in size from a capacity of 16,000 eggs to a capacity of 850,000 eggs.

TABLE III.
CAPACITY OF ROCKINGHAM COUNTY HATCHERIES

Name of Hatchery	Location	Capacity (Eggs)
Schenk Electric Hatchery	Harrisonburg	850,000
Weaver Electric Hatchery	Harrisonburg	556,000
Massanutten Hatchery	Harrisonburg	255,000
Broadway Hatchery	Broadway	246,000
Harrisonburg Hatchery, Inc.	Harrisonburg	215,207
C. C. Turner Farms Hatchery	Timberville	200,000
Timberville Hatchery	Timberville	153,945
Jonesdale Hatchery	Timberville	148,000
Heatwale Hatchery	Harrisonburg	113,000
Sunny Slope Farm Hatchery	Harrisonburg	109,840
Park Hatchery	Harrisonburg	96,000
Jordan Bros. Hatchery	Bridgewater	88,000
Checkerboard Hatchery	Harrisonburg	78,000
Hess' Poultry Farm	Harrisonburg	66,000
Shank Bros. Hatchery	Broadway	65,000
Blosser Hatchery	Dayton	55,000
Fulk's Electric Hatchery	Linville	51,074
Wayside Electric Hatchery	Harrisonburg	46,000
Wenger Hatchery	Dayton	36,000
McGaheysville Hatchery	McGaheysville	36,000
Pence's Hatchery	Broadway	30,000
Berry Hatchery	Dayton	18,000
Newman Hatchery	Dayton	16,000
TOTAL		3,528,066

Source: Data supplied by Division of Markets

The above figures reflect capacity in December 1944; current capacity is at a somewhat higher level. This tremendous overall capacity has been made possible only by the technological changes in incubating equipment and the rapid adoption of this modern equipment in the area. The scientific artificial incubation of eggs in the mechanical incubators now available has enabled the hatcheries to continue to expand; one of the hatcheries in the area now reports a capacity of one million eggs. The process of artificial incubation may be briefly described. The eggs are placed in mechanical incubators, which may have a capacity of as high as 100,000 eggs but generally run around 25,000 eggs per incubator. In these incubators the eggs are automatically turned, and temperatures regulated. The eggs are left in these incubators for a period of three weeks before being taken off. The space for hatching may or may not adjoin the incubator. Normally, experienced hatchery-men succeed in hatching out 70-80 per cent of each batch; in the case of the largest commercial hatchery referred to above the remainder are discarded. It is possible that there may be some attempt made on the part of a few hatcherymen to take advantage of a demand for infertile eggs, but no tangible evidence of this has been presented. The hatcheries give special attention to the selection of breeding flocks with a view to

producing the best possible baby chicks, both from a standpoint of raising the best type birds for meat and of the eradication of disease. As indicated, the hatcheries in this area buy mostly from certified flocks. The most popular breeds for use in producing baby chicks for broilers are New Hampshire Reds and Barred Plymouth Rocks.

Under current conditions the hatchery has no marketing problem—supply is far behind the demand for baby chicks. For with a market for commercial broilers assured by the Government's freeze order in this area, there is an upward pressure on demand for baby chicks. This demand takes two forms, (a) demand from the independent growers and (b) demand from the contract feeders, who in turn farm the chicks out under the unique "shares" system, which as noted previously was one of the principal factors contributing to the recent rapid growth of the poultry industry in this area. The relative importance of these outlets may be seen in the following table showing the number of chicks placed with growers in Rockingham County directly by the hatchery and through the contract feeder from October 1, 1944, through the week ending February 24, 1945. This table indicates that throughout this period the hatcheries sold about 70 per cent of their broiler chicks to the contract feeder, and 30 per cent direct to growers.

TABLE IV.
Number of Chicks Placed with Growers by
Contract Feed Dealers and Hatcheries in Rockingham County
October 1, 1944 through February 24, 1945

Date Week Ending	Number Placed		% of Total	Number Placed		% of Total
	Total Placements (000)	by Contract Feeders (000)		by Hatcheries (000)	% of Total	
1944						
Oct. 7	99	74	74.7	25	25.3	
14	97	69	71.1	28	28.9	
21	133	90	67.7	43	32.3	
28	127	86	67.7	41	32.3	
Nov. 4	120	96	80.0	24	20.0	
11	137	103	75.2	34	24.8	
18	164	106	64.6	58	35.4	
25	172	118	68.6	54	31.4	
Dec. 2	177	137	77.4	40	22.6	
9	156	126	80.8	30	19.2	
16	190	140	73.7	50	26.3	
23	171	117	68.4	54	31.6	
30	144	93	64.6	51	35.4	
1945						
Jan. 6	140	94	67.1	46	32.9	
13	139	80	57.6	59	42.4	
20	116	77	66.4	39	33.6	
27	108e	83e	76.9	25e	23.1	
Feb. 4	133e	83e	62.4	50e	37.6	
11	107e	72e	67.3	35e	32.7	
18	95e	67e	70.5	28e	29.5	
25	110e	80e	72.7	30e	27.3	
Total	2,835	1,991	70.2	844	29.8	

e Estimated.

Source: Based on data supplied by the Office of Marketing Services, War Food Administration, Harrisonburg, Virginia.

Under this "shares" system the contract feeder¹ furnishes the farmer on contract with the baby chicks bought from the hatchery, and with the feed which in the case of the larger contract feeders is prepared at their own plants. The farmer is charged on the contract feeder's books with the amount of this investment, but does not furnish any cash. However, it should be noted that most of the feed mills charge the farmer 1 cent per chick markup over the hatchery price on the chicks, and also charge the normal

¹ The term contract feeder is herein used to designate both the contract feed mills producing their own feed, and the contract feed dealers who operate on a contract basis with regard to the farmer but buy their feed elsewhere.

markup on their feed supplied to the farmer. During the period of time required to raise the broilers, the contract feeders attempt to supervise the flocks insofar as possible (under current conditions one of the weak spots in this system is the inability of the contract mill to supervise the flocks). Thus, in the production process the feed mill furnishes the farmer with the feed required up to the time of marketing—this entire production process normally takes about thirteen weeks. When the birds are ready for marketing the contract feeder handles the sale, and credits the farmer on the books with the gross proceeds of the sale. Against this are offset the expense items for chicks and feed as furnished; the net profit then remaining is distributed as follows: 75 per cent to the farmer and 25 per cent to the feed mill. Under current conditions this net profit may approximate 25 cents per chicken. However, in the event there is a loss, the contract feeder absorbs all the money loss, and the individual farmer loses his time and effort and investment in equipment. Since a single loss may offset a number of profitable contracts as far as the feed mill is concerned, the feed mills profit chiefly on the sale of feed, and, as noted, on the sale of the chicks.

In the process of producing the full-grown chickens the mills generally have sufficient capital of their own to carry the investment, with the turnover of chickens at relatively short intervals. While this eliminates some of the necessity for outside borrowing, there is a great deal of borrowing done on an assigned contracts basis. Borrowing on this basis, the contract feeders' flocks are covered under a trust agreement, and the contracts with the farmers raising these flocks are assigned to the trustee along with insurance on these contracts. A fuller description of this method of borrowing is given in a portion of this article devoted to turkeys.

In addition, borrowing does take place in some instances in order to increase stocks or to take advantage of market conditions in buying a large supply of an ingredient used in the feed mixture. It may be noted that the feed mills import the bulk of the grain and other ingredients from the elevators in the Mid-West, despite the fact that wheat and other items are grown in the county. The explanation given for this is simply that there is not enough feed produced in Rockingham to supply the demand both for livestock and poultry. If borrowing for this purpose does take place, the type of loan is generally a short-term loan based on the borrower's own financial statement.

With regard to the marketing of chickens grown in this area, the contract feeder normally sells about half to the individual buyers (truckers) who can make the overnight haul of live poultry to the eastern terminal markets, and the other half to the dressing plants in the area. However, late in 1944 the War Food Administration found it necessary to impose a freeze order to secure the necessary poultry meat for the armed forces. The freeze order effective December 11, 1944, applied to two areas: the Del-Mar-Va area which includes Northampton and Accomac Counties; the Shenandoah Valley area, which includes Augusta, Frederick, Page, Rockingham and Shenandoah Counties. All poultry producers in these areas must sell their chickens only to an authorized processor in the area, or to a poultry buyer who has a written statement that he has been authorized by the WFA to buy poultry. In

practical effect, under the terms of this order, the contract feeders as well as independent growers in this area are marketing all their chickens to the local dressing plants. The amount of poultry purchased through the tenth of February by the Army, and the area of purchase, under this order, are shown in Table V.

TABLE V.
ARMY PURCHASES OF PROCESSED POULTRY BY AREA
December 11, 1944 through February 10, 1945

		(Amounts in thousands of pounds)			
		Shenandoah Valley ¹	Del-Mar-Va Peninsula	Other Areas ²	Total
1944	Ending				
	Dec. 16	400 ^e	748 ^e	....	1,148
	23	462	1,269	....	1,731
	30	544	1,004	....	1,548
1945	Jan. 6	687	2,181	....	2,868
	13	766	2,979	209	3,954
	20	908	3,004	437	4,349
	27	673	2,726	955	4,354
	Feb. 3	549	2,844	1,097	4,490
	10	819	4,063	1,529	6,411

¹ Includes Rockingham County.

² While the original order applied only to the Shenandoah Valley and Del-Mar-Va areas, the order was amended effective January 1, 1945, to include certain counties in Georgia, Oklahoma, Missouri, and Arkansas, which are included in this table in "Other Areas."

Source: Office of Marketing Services, War Food Administration, Harrisonburg, Virginia.

Since, under the order, all of the broilers grown in the county are marketed with the dressing plants in the area, some consideration may be given to these dressing plants. The dressing plants are again evidence both of the integration of the industry and of the technological improvements that have helped to commercialize the poultry industry within the county. For example, one of the largest dressing plants in this area is considered to be the most modern plant in the United States. At this plant the live chickens are brought into a warehouse space on the upper level accommodating some 30,000 birds. The chickens are kept here in confinement for five days during which time they are given extra feeding for fattening purposes. Then the chickens are taken from this warehouse, hung individually on a conveyer belt and carried down through an open hatchway to the lower level of the plant. At the bottom of this hatchway the chicken is killed, then carried through a "semi-scald," then past a machine similar to a buffer which "roughs out" most of the feathers and pins. For easy removal of the remainder of the pins the chicken goes through a wax dip, then is cooled, and then (still hung on the conveyer) goes past a line of women "pickers" who attempt to catch the remaining pins. After passing by the "pickers" the chickens are removed from the conveyor belt and graded, either to be packed and sold as "New York dressed" or to be further processed in the eviscerating room. In this room the chicken is placed in a tray which again operates on a conveyor belt and, applying the principle of specialization of labor, moves down past a line of women each of whom removes a separate part. The chicken is then weighed for dressed weight and is ready for shipment. Adjoining this particular dressing plant there is a storage plant which makes it possible to hold over a portion of the production if necessary. This storage plant is also expanding facilities for "quick-freezing" of the dressing plant's product.

TURKEYS

The segment of the poultry industry of the county devoted to the production of turkeys is the most highly

specialized branch of the industry, with regard to production, marketing, and financing. The inherent risks, the capital required, etc., are greater; hence, the profits also tend to be greater than in other branches of the industry.

The turkey eggs are produced by comparatively few farmers who keep flocks for that purpose; these layers are generally divided into flocks of about 250 layers. An interesting development is being carried on in this area in "trapnesting" individual turkey hens. While for some time the use of records of production has been common in breeding chickens, the trapnesting of turkey hens is a relatively recent development. In one instance, a single contract feeder is trapnesting some 200 turkey hens—keeping individual records on the hen and brood, as to number of eggs produced, liveability, character, size, etc., of the brood. This is the largest project of this sort in the United States. Thus, under this program of selective breeding, a constant effort is being made to improve the breed.

The process of incubation of the turkey poults, and then the farming them out on a "shares" basis to the farmer, operates in similar fashion as with baby chicks except for important differences in the time involved, which in turn changes the nature of the financing of this process. It takes four weeks to incubate and hatch the turkey poults, and approximately seven months to mature the turkeys for market. The difference between this and chicken raising should be emphasized—for whereas producing eggs or commercial broilers is a year around business with turnover at frequent intervals, the turkey business is seasonal, with only one crop a year. Turkey poults cost an average of 65 cents, as against only 12 cents for the baby chicks. In addition, although chickens will mature in thirteen weeks at an average weight of around 3½ pounds, turkeys after a seven-month period will mature at an average weight of slightly below 20 pounds, necessitating greater investment in the form of feed, etc. The net result is that the total investment at one time for the contract Feeder is necessarily much greater in the case of turkeys, and the investment will remain outstanding for a longer period of time.

Therefore, in financing this process the contract feeders generally resort to bank borrowing for a varying part of the seasonal capital required. The contract feeder may find it necessary to borrow anywhere from 30 per cent to 90 per cent of the capital required. This borrowing is usually on one of two bases: either directly on the contract feeder's own financial statement or on the basis of the assigned contracts of the contract feeder with the various farmers.

In the first case, if the contract feed mill's own financial position is strong enough, the mill may elect to finance itself for a part of its own requirements and to borrow the remainder on its own note.

In the second case, particularly in the case of the new or relatively inexperienced contract feeders, the contract feeders may elect to borrow on an assigned contracts basis. Under this method, the contract feeder's flocks are covered under a trust agreement and the contracts with the farmers raising these flocks are assigned to the trustee, along with insurance on these contracts.

The contract feed mill operating on this basis will generally take out insurance against loss on its contracts.

This insurance against loss protects the contract feeder only in the event of a net loss on balance on all its contracts; *It does not protect the contract feeder against loss on a single contract.*

The feed mill then borrows on the assigned contracts, with the amount of the permissible borrowing dependent on the mill's total investment in poults, feed, fuel, etc. Since this investment increases during the entire seven-month period the turkeys are being grown, the amount of the borrowing may change every thirty days. Every thirty days a new note is made representing the contract feed mill's additional investment as shown by its accounts receivable with the farmers. On this basis the contract feeders are permitted to borrow up to 80 or 90 per cent of their accounts receivable (current value of shares contracts). The average rate of interest on this loan may approximate 4-5 per cent. When the turkeys are matured and sold in the fall, these loans would be paid off in full.

The marketing of the turkeys is done at one period of the year; consequently the problem of marketing is aggravated if the demand-supply relationship is such that there is no ready market for turkeys. The contract feeders again handle all the marketing, with the cash losses to be absorbed by the contract feeder if the turkeys cannot be disposed of. However, since as indicated, investment is much greater and the loss factor relatively more important, the distribution of net profits is handled somewhat differently than in the case of commercial broilers. The same distribution ratio, namely 75 per cent to the farmer and 25 per cent to the feed mill, may be observed, but frequently the farmer contracts to receive 5 per cent of the gross receipts and then takes a lesser percentage of the net profit. This helps to protect the farmer against total loss of time, labor, and investment in equipment. In the case of no net profit, the farmer operating under this set-up still receives 5 per cent of the gross receipts. Additional comment may be made that the various farmers operating flocks under contract may fare differently under the system of marketing through the contract feeder; for the contract feeder determines when his flock is marketed and changing prices may result in a differential to the various farmers operating for a single contract feeder. Under current conditions, with a ready market available at ceiling prices, the net profit per turkey may approximate \$1.00.

Normally, the turkeys are marketed in the period from the second week in November (or a week or two before Thanksgiving) through the week before Christmas. However, with the present demand for turkeys by the armed forces, the freeze order takes about all the early Thanksgiving turkeys, leaving the late flocks to channel into the civilian market to meet the holiday demand. For example, last year the Army froze the sale of turkeys until its quota was met; then the remaining supply was released to filter into the civilian market. The embargo was lifted early in November, thus leaving a fair supply for the civilian market for Thanksgiving and Christmas.

The effect on this year's production of turkeys is already noticeable. Since the Army's demands occur earlier than the normal Thanksgiving-Christmas demand (in order to supply the boys in service at far distant points), this has stimulated the early production of turkeys by

growers anticipating the Army's needs. As a result, the turkeys may come onto the market in considerable number as early as July or August of this year. The W. F. A. has announced the set-aside order for this year effective April 5, requiring all turkeys produced in Augusta, Rockingham, Page, Shenandoah, and Frederick Counties to be channeled to the armed services. As in the case of the broilers, these turkeys will be sold to the processing plants in the area, then taken in refrigerated trucks to the Army's warehouses in Pennsylvania and Maryland. Turkeys produced and marketed in areas not designated by the freeze order may be sold without restrictions.

As noted previously, there has developed quite a trucking industry within this county. There are an estimated 1,500 trucks in operation in Rockingham County. Of this number, approximately 800 are engaged in the poultry business, that is, in hauling feed, eggs, baby chickens, poultry to the local plants, etc. At the present time there are 51 trucks in the county licensed by the War Food Administration to haul live poultry to New York and other points part of the time. With regard to the poultry business, it appears that the local truckers have expanded and in competition forced out the out-of-state truckers who were previously getting the business. The chief competitive advantage of the local truckers is apparently their close contact with the local contract feeders and the growers.

PROBLEMS OF THE INDUSTRY

The major problem with regard to the production of chickens and turkeys is probably the mortality rate due to disease. According to the War Food Administration Office in this area, it is reported that it is the belief of the contract feeders and hatcherymen that the average mortality in broiler flocks of the area does not exceed 7 per cent. However, this average may be a little low; other estimates indicate about a 10 per cent loss rate for broiler flocks. The loss rate for turkeys as indicated is considerably higher. Estimates indicate that losses in turkey flocks in this area may average as high as 20 to 25 per cent. The entire program of selective breeding involves disease control as a concomitant feature, and efforts are being made in this direction by the contract feeders and the hatcherymen in the area in cooperation with the individual growers.

The certification of flocks under the auspices of the State Department of Agriculture has to a large extent eliminated the pullorum disease to which this program was specifically directed. Losses from pullorum in the area's chicken flocks now run below 5 per cent, according to officials of the regional laboratory in this area. While the loss factor still remains a problem, particularly now with regard to typhoid disease, there are steps being taken in the direction of meeting this problem.

Although wartime conditions with unprecedented demand and higher prices have resulted in prosperous conditions for the industry generally, some problems have resulted from the current conditions. One of these problems which became acute in January and February of this year was the shortage of coal used by the farmers for their brooders. This shortage of fuel was brought about by a number of related factors:

- (1) Due to the labor shortages which prevented the farmers from getting a supply of wood, there was a

widespread conversion in this area from the use of the wood brooders by the farmers to the use of coal brooders.

(2) The truckers normally supplying 75 per cent of the coal to this area were hampered by deterioration of equipment and by ODT regulations preventing empty hauls out of the area.

(3) The weather severity in the Pennsylvania fields which aggravated the supply situation at the mines as well as the transportation difficulties.

(4) Further additional demand for coal for the farmers' brooders due to the severity of the weather.

(5) The contract feeders' attempts to increase production under the WFA freeze which further aggravated the supply situation as to coal.

In attempting to find a solution to this problem, the contract feeders turned to the Solid Fuels Administration, and within thirty or sixty days were able to get a total of 7 carloads of emergency coal for Rockingham County (roughly the equivalent of 400 tons). However, since the area had been buying its supply from the truckers, the SFA could not convert the quota of coal at the mines assigned to the truckers to the railroads; hence, additional supply from this source was not forthcoming. However, while the emergency grant of the SFA did not completely solve the problem, it did help the general situation with regard to fuel.

An allied problem partly resulting from the same causal factors tying up transportation, etc., was the shortage of feed in this area. In the report of the area's Office of Marketing Services, War Food Administration, of February 2, 1945, it was reported that many contract feed dealers were facing an acute feed shortage. The feed shortage applied only to those contract feeders who were agents for outside feed companies. The mills mixing their own feed were relatively better able to solve the problem.

As a result of the above conditions with regard to fuel and feed, hatcheries in the area experienced considerable difficulty in selling their baby chicks in January. Thus, many of the feed contractors were canceling their orders due to the coal shortage and the inability of the farmers to take the chicks because of insufficient fuel and feed for their brooders. Hatcherymen in the area generally met this problem by (1) attempting to sell surplus chicks directly to the growers as may be noted in Table IV, (2) placing the chicks in their own brooder houses and batteries, and (3) selling them to hatcheries outside of the area.

An additional problem may arise in the near future with regard to the marketing of commercial broilers under the WFA "freeze order." For under this order all poultry in this area is being sold to the processing plants in the area, yet current indications are that the number of birds to be sold in this area may exceed the capacity of the dressing plants. The Southern Field Office, Dairy and Poultry Branch, Office of Marketing Services, War Food Administration, has prepared estimates showing the number of birds to be marketed weekly in the Shenandoah Valley area (which includes Rockingham County) in relation to

the capacity of the processing plants in the area. These estimates indicate that the number of birds to be marketed weekly will exceed the capacity of the processing plants by as much as 15 per cent during March, and over 20 per cent in the third week in May. As a result, a considerable overflow to civilian markets could be expected unless some other solution is found. The estimates are based on the following procedure:

i. Reports are obtained weekly from the hatcheries in the area as to number of baby chicks placed. These data are given in Table IV.

ii. From a survey made, it was found that the Army purchased 3.6 pounds of dressed poultry for every chick placed with the grower. Therefore, the number of chicks placed was multiplied by 3.6 to determine the number of pounds purchased by the Army fourteen weeks later.

iii. Computation of the number of birds was made by dividing the pounds figure above by 3.

It should be mentioned that Army purchases late in January were considerably below the number of birds estimated on the above basis as available for market. Probable explanation is that growers were holding the birds off the Market in anticipation of the $\frac{1}{2}$ cent per pound ceiling price increase effective February 1.

INFLUENCE OF COOPERATIVES

The entire process of producing poultry in this area is marked by a cooperative action between the farmer and feed mill, farmer and hatchery, hatchery and feed mill, feed mill and dressing plant, etc. However, in addition, there are two plants formally organized as "cooperatives" under the law which enter into the picture of the poultry industry in this area. One of these plants is the Rockingham Cooperative Farm Bureau which does a considerable feed business with regard to the independent growers who operate independently of the shares system. However, this plant, for the most part, does not supply the poultry industry, but rather is engaged in selling feed and seed for cattle and crops.

A second plant, The Rockingham Poultry Marketing Cooperative, is the dressing plant previously described in detail. This plant is owned on a stock ownership basis available to anyone interested in the poultry business, i.e., farmers, feed mills, etc. In 1941, there were 223 members, but by 1944 membership had grown to 1,000 members. The organization last year purchased 14.1 million pounds of poultry from some 3,000 growers and had gross sales of \$5.2 million. This cooperative paid dividends on its common and preferred stock of 6 per cent, and in addition paid a patronage dividend of $\frac{1}{2}$ cent a pound to the farmers selling to this plant. It should be noted that under the shares system a farmer is able to specify within limits to whom he wishes his poultry to be sold. This patronage dividend was paid directly to the farmer whether independent or on contract. The feed mill makes no record of this patronage dividend, and it is paid independent of the mill. Total patronage dividends in 1944 amounted to \$70,000. The total assets of the cooperative amount to \$562,000.

FEDERAL RESERVE BANK OF RICHMOND
(All Figures in Thousands)

ITEMS	April 11 1945	Change in 3-14-45	Amt. from 4-12-44
Total Gold Reserves	\$ 932,834	- 93,244	-111,967
Other Reserves	14,475	+ 276	- 1,209
Total Reserves	947,309	- 92,968	-113,176
Bills Discounted	7,000	- 1,175	+ 7,000
Industrial Advances	110	- 9	- 90
Gov't. Securities, Total	1,230,144	+ 87,982	+539,606
Bonds	72,203	- 348	- 24,333
Notes	63,691	- 4,648	- 13,588
Certificates	326,104	- 10,640	+ 135,711
Bills	758,146	+ 103,618	+ 441,816
Total Bills and Securities	1,237,254	+ 86,798	+ 546,516
Uncollected Items	131,498	- 19,481	+ 7,008
Other Assets	12,549	+ 63	- 1,572
Total Assets	\$2,328,610	- 25,588	+ 438,776
Fed. Res. Notes in Cir.	\$1,505,407	- 5,478	+ 330,516
Deposits, Total	688,939	- 624	+ 99,024
Members' Reserves	615,245	- 3,633	+ 94,426
U. S. Treas. Gen. Acct.	16,794	- 1,800	+ 9,404
Foreign	47,673	- 1,400	+ 7,316
Other Deposits	9,227	+ 6,209	+ 2,510
Def. Availability Items	110,059	- 19,942	+ 5,270
Other Liabilities	569	+ 76	+ 154
Capital Accounts	23,636	+ 380	+ 3,812
Total Liabilities	\$2,328,610	- 25,588	+ 438,776

41 REPORTING MEMBER BANKS—5th DISTRICT
(All Figures in Thousands)

ITEMS	April 11 1945	Change in 3-14-45	Amt. from 4-12-44
Total Loans	\$ 287,905	- 9,846	+ 17,807
Bus. and Agri. Loans	135,022	- 5,944	+ 10,983
Real Estate Loans	46,858	+ 895	- 2,434
All Other Loans	106,025	+ 4,797	+ 9,258
Total Security Holdings	1,605,943	-32,086	+ 269,908
U. S. Treasury Bills	88,925	- 8,288	- 2,025
U. S. Treas. Certificates	324,960	-10,888	+ 76,651
U. S. Treas. Notes	257,495	- 8,343	+ 22,776
U. S. Gov. Bonds	863,510	- 4,305	+ 176,466
Obligations Gov. Guaranteed	12,612	- 944	- 5,906
Other Bonds, Stocks and Sec.	58,441	+ 682	+ 1,946
Cash Items in Process of Col.	98,844	- 7,240	+ 10,280
Due from Banks	155,328*	+ 4,468	+ 11,332
Currency and Coin	38,004	- 1,245	+ 483
Reserve with F. R. Bank	323,090	+ 5,646	+ 47,716
Other Assets	53,036	-15,756	- 8,015
Total Assets	\$2,562,150	-56,059	+ 349,511
Total Demand Deposits	\$2,013,621	-77,427	+ 246,276
Deposits of Individuals	1,220,837	- 6,371	+ 174,080
Deposits of U. S. Gov.	290,449	-57,301	+ 4,769
Deposits of State Local Gov.	85,834	+ 3,466	- 792
Deposits of Banks	398,495	-11,388	+ 67,140
Certified & Officers' Checks	18,006	- 5,833	+ 1,079
Total Time Deposits	314,333	+ 6,855	+ 56,572
Deposits of Individuals	300,683	+ 6,859	+ 59,510
Other Time Deposits	13,650	- 4	- 2,938
Liabilities for Borrowed Money	7,500	+ 2,000	+ 7,500
All Other Liabilities	103,101	+ 10,674	+ 28,690
Capital Accounts	123,595	+ 1,839	+ 10,473
Total Liabilities	\$2,562,150	-56,059	+ 349,511

* Net figures, reciprocal balances being eliminated.

DEPOSITS IN MUTUAL SAVINGS BANKS
8 Baltimore Banks

	Mar. 31, 1945	Feb. 28, 1945	Mar. 31, 1944
Total Deposits	\$307,608,959	\$304,230,621	\$266,470,500

COTTON CONSUMPTION—FIFTH DISTRICT
In Bales

MONTHS	No. Carolina	So. Carolina	Virginia	District
March 1945	225,838	173,060	19,929	418,827
February 1945	208,468	156,193	19,849	384,510
March 1944	244,374	186,444	20,596	451,414
3 Months 1945	660,945	502,236	60,280	1,223,461
3 Months 1944	688,200	523,546	59,479	1,271,225

DEBITS TO INDIVIDUAL ACCOUNTS
(000 omitted)

	March 1945	% chg. from March 1944	3 Mos. 1945	% chg. from 3 Mos. 1944
Dist. of Columbia				
Washington	\$ 544,541	+ 3	\$1,608,317	+ 11
Maryland				
Baltimore	784,904	+ 1	2,284,236	0
Cumberland	13,654	+ 8	40,796	+ 10
Frederick	12,700	+ 2	35,906	+ 2
Hagerstown	18,396	- 2	49,449	- 6
North Carolina				
Asheville	29,358	+ 26	84,653	+ 22
Charlotte	142,943	+ 8	395,604	+ 9
Durham	60,715	0	179,175	+ 7
Greensboro	42,795	+ 15	123,017	+ 17
Kinston	7,923	+ 27	24,271	+ 20
Raleigh	64,065	+ 16	168,854	0
Wilmington	38,440	0	111,087	+ 1
Wilson	9,794	+ 37	30,588	+ 32
Winston-Salem	66,593	+ 5	196,901	+ 1
South Carolina				
Charleston	46,118	+ 11	127,416	+ 3
Columbia	55,521	+ 8	157,261	+ 5
Greenville	42,610	+ 5	123,036	+ 9
Spartanburg	24,329	+ 12	68,882	+ 9
Virginia				
Charlottesville	19,428	+ 34	58,300	+ 40
Danville	15,417	+ 18	53,315	+ 32
Lynchburg	23,132	+ 7	65,174	+ 3
Newport News	25,728	- 9	69,946	- 15
Norfolk	132,516	+ 3	367,193	+ 2
Portsmouth	17,820	+ 7	50,167	+ 5
Richmond	350,574	+ 12	1,008,634	+ 6
Roanoke	47,161	+ 12	131,971	+ 11
West Virginia				
Bluefield	24,816	+ 7	72,314	+ 5
Charleston	90,777	+ 11	246,138	+ 3
Clarksburg	16,158	+ 7	48,885	+ 10
Huntington	39,525	+ 28	112,653	+ 27
Parkersburg	18,849	+ 3	55,243	+ 16
District Totals	\$2,827,300	+ 6	\$8,149,382	+ 5

COMMERCIAL FAILURES

PERIODS	Number of Failures		Total Liabilities	
	District	U. S.	District	U. S.
March 1945	2	85	\$ 293,000	\$ 3,880,000
February 1945	1	66	1,000	1,557,000
March 1944	1	96	187,000	1,460,000
3 Months 1945	7	231	\$1,194,000	\$11,320,000
3 Months 1944	6	348	307,000	6,276,000

Source: Dun & Bradstreet.

COTTON CONSUMPTION AND ON HAND—BALES

	March 1945	March 1944	Aug. 1 to March 31 1945	March 31 1944
Fifth District States:				
Cotton consumed	418,827	451,414	3,226,397	3,373,643
Cotton Growing States:				
Cotton consumed	757,296	791,314	5,760,841	5,975,753
Cotton on hand Mar. 31 in				
Consum'g establishments	1,927,306	1,968,156		
Storage & compresses	11,621,475	10,694,572		
United States:				
Cotton consumed	857,693	903,538	6,516,433	6,805,716
Cotton on hand Mar. 31 in				
Consum'g establishments	2,237,465	2,290,108		
Storage & compresses	11,724,034	10,890,959		
Spindles Active, U. S.	22,232,168	22,569,588		

RAYON YARN DATA

	Mar. 1945	Feb. 1945	Mar. 1944
Rayon Yarn Shipments, Lbs.	51,000,000	45,500,000	45,600,000
Staple Fiber Shipments, Lbs.	14,100,000	12,800,000	14,900,000
Rayon Yarn Stocks, Lbs.	7,400,000	7,400,000	8,100,000
Staple Fiber Stocks, Lbs.	3,100,000	3,200,000	1,700,000

Source: Rayon Organon.

BUILDING PERMIT FIGURES
Fifth Federal Reserve District

	Total Valuation	
	March 1945	March 1944
Maryland		
Baltimore	\$ 586,855	\$ 612,792
Cumberland	2,345	3,960
Frederick	13,270	2,868
Hagerstown	2,515	10,510
Salisbury	12,485	3,764
Virginia		
Danville	\$ 24,374	\$ 10,945
Lynchburg	40,124	8,172
Norfolk	182,580	107,015
Petersburg	225	1,100
Portsmouth	74,193	40,910
Richmond	584,512	106,283
Roanoke	114,211	9,163
West Virginia		
Charleston	\$ 45,901	\$ 63,699
Clarksburg	2,900	8,525
Huntington	16,648	27,740
North Carolina		
Asheville	\$ 19,302	\$ 7,875
Charlotte	95,245	76,149
Durham	81,865	19,261
Greensboro	40,883	13,800
High Point	33,866	19,126
Raleigh	61,720	19,200
Rocky Mount	15,150	33,300
Salisbury	4,567	4,725
Winston-Salem	104,211	41,048
South Carolina		
Charleston	\$ 102,505	\$ 31,720
Columbia	66,420	4,038
Greenville	20,820	1,200
Spartanburg	37,125	9,010
District of Columbia		
Washington	\$ 1,471,700	\$ 522,673
District Totals	\$ 3,858,517	\$ 1,820,571
3 Months	\$ 9,105,276	\$ 4,527,630

AUCTION TOBACCO MARKETING

	Season Producers' Sales, Lbs.		Price per hundred	
	1944-45	1943-44	1944-45	1943-44
So. Carolina (Flue-cured) ..	115,992,147	77,588,742	\$43.08	\$38.86
No. Carolina (Flue-cured) ..	720,474,345	524,975,305	43.30	40.69
(Burley)	11,312,031	7,421,312	48.94	49.03
(Total)	731,786,376	532,396,617	43.39	40.81
Virginia (Flue-cured)	124,612,338	101,776,663	43.36	41.25
(Fire-cured)	13,337,015	9,369,944	24.96	28.01
(Burley)	15,858,546	11,452,214	43.31	48.39
(Sun-cured)	3,047,938	2,089,583	31.48	34.51
(Total)	156,855,837	124,688,404	41.56	40.80
District Total, All Types ..	1,004,634,360	734,673,763	\$43.07	\$40.60
Total Flue-cured	961,078,830	704,340,710	43.28	40.57
Total Fire-cured	13,337,015	9,369,944	24.96	28.01
Total Burley	27,170,577	18,873,526	45.65	48.64
Total Sun-cured	3,047,938	2,089,583	31.48	34.51

RETAIL FURNITURE SALES

STATES	Percentage Changes in Mar. and 3 Mos. 1945 Compared with	
	March 1944	3 Mos. 1944
Maryland (4)*	+ 31	+ 20
District of Columbia (6)*	+ 4	+ 6
Virginia (23)*	+ 28	+ 18
West Virginia (10)*	+ 24	+ 13
North Carolina (19)*	+ 40	+ 32
South Carolina (13)*	+ 18	+ 20
Fifth District (75)*	+ 24	+ 17
INDIVIDUAL CITIES		
Baltimore, Md. (4)*	+ 31	+ 20
Washington, D. C. (6)*	+ 4	+ 6
Lynchburg, Va. (3)*	+ 38	+ 15
Richmond, Va. (7)*	+ 19	+ 17
Charleston, W. Va. (3)*	+ 21	+ 13
Charlotte, N. C. (4)*	+ 26	+ 30
Columbia, S. C. (4)*	+ 48	+ 20

* Number of reporting stores.

WHOLESALE TRADE, 241 FIRMS

LINES	Net Sales		Stock		Ratio Mar. collections to accounts outstanding March 1
	Mar. 1945 compared with		Mar. 31, 1945 compared with		
	March 1944	Feb. 1945	Mar. 31 1944	Feb. 28 1945	
Auto Supplies (11)*	+17	+ 4	+13	-1	84
Drugs & Sundries (12)* ..	+ 3	+ 8	- 4	+ 2	116
Dry Goods (7)*	- 4	- 1	-31	+ 1	94
Electrical Goods (16)* ..	+24	+35	+ 7	-4	9
Groceries (76)*	- 4	+11	- 6	-3	76
Hardware (16)*	+ 5	+16	- 6	0	102
Industrial Supplies (8)* ..	+ 6	+13	+ 6	-2	3
Paper & Products (6)* ..	+10	+17	....	....	101
Tobacco & Products (10)* ..	-13	+10	-34	-9	48
Miscellaneous (79)*	- 2	+ 5	-22	-6	6
District Average (241)* ..	0	+10	-12	-3	10

Source: Department of Commerce.
* Number of reporting firms.

DEPARTMENT STORE TRADE

	Richmond	Baltimore	Washington	Other Cities	District
Percentage change in Mar. 1945 sales, compared with sales in Mar. 1944:	+25	+21	+23	+29	+23
Percentage change in 3 months' sales 1945, compared with 3 mos. 1944:	+21	+17	+18	+26	+19
Perctg. change in stocks on Mar. 31, 1945, compared with Mar. 31, 1944:	- 4	- 2	- 3	- 8	- 3
Perctg. change in outstand'g orders Mar. 31,'45 from orders Mar. 31,'44:	+48	+69	+51	+60	+56
Perctg. chg. in total receivables Mar. 31,'45 from receivables Mar. 31,'44:	+19	+19	+16	+18	+18
Percentage of current receivables as of March 1 collected in March:	59	58	56	59	57
Percentage of instalment receivables as of March 1 collected in March:	29	35	27	39	31
Maryland Dist. of Col. Virginia W. Va. No. Caro. So. Caro.					
Perctg. change in March 1945 sales from March 1944 sales, by States:	+23	+23	+26	+38	+31
Percentage change in 3 months' sales, 1945 compared with 1944:	+17	+18	+22	+31	+27

SOFT COAL PRODUCTION IN THOUSANDS OF TONS

REGIONS	March 1945	March 1944	% Change	3 Mos. 1945	3 Mos. 1944	% Change
	West Virginia	13,733	14,418	-5	39,506	41,975	-6
Virginia	1,639	1,788	-8	4,999	5,311	-6
Maryland	167	179	-7	457	538	-15
5th District	15,539	16,385	-5	44,962	47,824	-6
United States	52,360	54,880	-5	152,020	161,799	-6
% in District	29.7	29.9		29.6	29.6	

TOBACCO MANUFACTURING

	% Change		% Change	
	Mar. 1945	from Mar. 1944	3 Mos. 1945	from 3 Mos. '44
Smoking and chewing tobacco (Thousands of lbs.)	23,007	+28	68,042	+22
Cigarettes (Thousands)	18,679,253	- 6	55,428,979	- 4
Cigars (Thousands)	417,521	0	1,185,570	+ 1
Snuff (Thousands of Lbs.) ..	4,037	- 1	11,611	+ 2

CONSTRUCTION CONTRACTS AWARDED

STATES	Feb. 1945	% chg. from	
		Feb. 1944	2 Mos. 1945
Maryland	\$ 2,599,000	- 68	\$ 8,086,000
Dist. of Columbia ..	2,934,000	+216	5,647,000
Virginia	5,814,000	- 41	14,387,000
West Virginia	355,000	- 45	1,531,000
North Carolina	2,824,000	- 5	5,834,000
South Carolina	1,098,000	- 50	2,455,000
Fifth District ..	\$ 15,624,000	- 37	\$ 37,940,000

Source: F. W. Dodge Corporation.

