

**COSTS OF STORING
AND HANDLING
COTTON AT PUBLIC
STORAGE FACILITIES,
1964-65**

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COSTS OF STORING AND HANDLING COTTON AT
PUBLIC STORAGE FACILITIES, 1964-65

Highlights

Accounting data and operational information relative to 1964-65 were collected from 133 public cotton storage facilities. These participating plants were selected randomly to represent principal areas and types of facility. The sample included 73 interior or port compresses and 60 warehouses (table 1). The total capacity of sample plants was about 30 percent of that of all plants approved for storing cotton loaned or owned by the Commodity Credit Corporation (CCC).

Two types of costs were developed for each of the principal services performed by each participating plant: (1) Average total cost which includes the expenditures of firms on an accrual basis, plus standardized allowances for depreciation and interest on capital based on original acquisition cost; and (2) average out-of-pocket cost which excludes allowances for depreciation and interest on investment. Also shown for each area are estimates of (1) long-run competitive rates, based on the total replacement cost including depreciation and interest on capital for marginal firms operating at 85 percent of capacity; and (2) short-run competitive rates, based on the out-of-pocket cost of marginal firms.

The basic services routinely required for the in-and-out handling and storing of cotton are receiving, storage, break-out, and shipping. These services are defined in the appendix.

Total cost per bale for insured storage at all plants averaged \$3.084 annually (\$0.257 per bale per month), varying from \$2.760 per year (\$0.230 per month) in the South Central area to \$4.068 per year (\$0.339 per month) in the West (table 2). Average out-of-pocket cost for storage for all plants in the Cotton Belt was \$2.616 per bale per year, or \$0.218 per bale per month.

For all plants the total combined cost of receiving, storage for 12 months, breaking out, and shipping ranged from \$4.391 per bale in the South Central to \$5.585 in the West; the Beltwide average was \$4.798. Generally, total costs for receiving, break-out, and shipping were lower at compresses than at warehouses; but for storage, the reverse was true.

In order to handle volumes equal to the peak storage requirements expected in 1966-67, the long-run competitive rate based on replacement costs for storage per bale was estimated at \$3.733 per year (\$0.311 per month) for the Belt. The annual rate varied from \$3.555 (\$0.296 per month) in the South Central to \$4.319 (\$0.360 per month) in the Southeast. For storing and in-and-out handling combined, the annual long-run competitive rate for all regions and plants was

\$5.943, ranging from \$5.337 in the South Central to \$7.243 in the Southeast. For the short run, out-of-pocket storage costs for the marginal firms were estimated at \$3.000 per year (\$0.250 per month) for the Belt, and varied from an annual rate of \$2.952 (\$0.246 per month) in the South Central to \$3.540 (\$0.295 per month) in the Southeast. For storing and in-and-out handling combined, the annual short-run competitive rate for all regions and plants was \$4.975. Distribution of costs used for determination of competitive rates is included in tables 18 through 29.

The total cost involved in receiving cotton for storage--\$0.897 per bale at warehouses and \$0.637 per bale at compresses--has been affected adversely by the shortened harvest season resulting from the increased use of machines in gathering the crop (tables 3 and 4). Under such conditions, many interior plants must resort to separate night crews or considerable overtime pay.

Insured storage costs per bale per month averaged \$0.252 per bale at warehouses and \$0.260 at compresses (tables 5 and 6). Since most of the plant space is used for storage, fixed costs accounted for about 34 percent of total storage costs at warehouses and 30 percent at compresses.

Total costs for break-out chiefly involve expenses for labor and use of materials-handling equipment. Per bale break-out costs for warehouses varied widely by areas--from \$1.093 in the South Central area to \$0.452 in the Southwest (table 7). In contrast, the per bale cost for compresses was only \$0.495 in the highest cost area (Southeast) and \$0.448 in that with the lowest cost (Southwest) (table 8). ^{1/} Shipping costs per bale averaged \$0.481 at warehouses and \$0.375 at compresses (tables 9 and 10). The higher cost at port compresses among the compress group apparently was caused by the additional services often required in moving cotton to piers. When break-out and shipping are combined and considered as a single service, as is done by the Agricultural Stabilization and Conservation Service (ASCS) and some plants, the average total cost is \$1.314 per bale at warehouses and \$0.843 at compresses.

Other services which have some bearing on ASCS cotton sales activities are resampling and reweighing, either from stock or at time of other service. The services seldom are requested by owners of cotton other than successful bidders from CCC catalog sales. Total costs for resampling and reweighing from stock averaged \$1.360 per bale at warehouses and \$1.108 per bale at compresses (tables 11 and 12). This is an expensive service requiring much labor and machine use since it involves breaking out the bales and then returning them to storage. Resampling and reweighing ordered at the time of some other service, usually shipment, were performed at a total cost of \$0.656 at warehouses and \$0.439 at compresses (tables 13 and 14). The major cost element for this service was personnel.

Variations in costs for standard density compression among regions reflect differences in operating practices. Total cost for standard compresses was \$0.985 per bale in the South Central area, where practically all flat cotton is

^{1/} If break-out had been included as a storage cost, as was done in the 1960 ASCS cotton-storage cost study, total storage cost per bale per month would have been increased by approximately \$0.034 at warehouses, by \$0.061 at compresses, and by \$0.052 overall.

pressed to standard density on arrival (table 15). In other areas where compression generally is performed at time of shipment, total costs per bale ranged from \$1.370 in the Southwest to \$1.616 at ports where crews handle very little of such density. In the case of high density compression, a service almost always done at time of shipment, costs among areas were very similar. South Central plants had the lowest cost--\$1.722 per bale--but the highest cost was only \$1.987 per bale in the West and the average at all compresses was \$1.830 (table 16).

Monthly storage costs per bale for the Belt, as calculated on a replacement basis, averaged \$0.276 at warehouses and \$0.303 at compresses (table 17). Such replacement costs for storage exceeded standardized costs by \$0.024 per bale per month for warehouses and \$0.043 for compresses. For receiving, the increase was \$0.043 per bale for both types of plants. At compresses, replacement costs increased standard density compression by \$0.105 and high density by \$0.156 over standardized costs.

Table 1.--Sample plants included in survey: Capacity and services performed, by area and type of facility, fiscal 1964-65

Type of facility and area	No.	Total cotton storage capacity of plants	Total cotton storage capacity of plants	Average months of storage	Pct.	Months	Bales		Shipments		Revenue		Resampling and reweighing
							Bales	Months	Bales	Months	Bales	Months	
Warehouses: 4/													
Southeast 5/.....	34	560,200	1,328,223	22.9	4.2	190,565	107,075	6,950	7,189				
South Central 6/..	9	420,195	2,423,500	47.3	6.5	673,891	265,600	1,445	922				
Southwest 7/.....	13	351,980	1,805,938	36.3	4.1	290,930	225,906	2,163	2,218				
Total warehouses.....	60	1,312,136	10,700,971	70.0	7.1	649,328	557,435	92,687	51,882				
Compresses: 4/													
Southeast 5/.....	3	126,280	664,551	44.2	4.5	95,324	86,772	4,252	565				
South Central 6/..	29	2,665,333	17,240,374	56.3	5.6	2,099,737	2,071,019	1,681,283	80,541				
Southwest 7/.....	19	1,698,195	13,692,566	56.7	5.8	1,319,361	1,213,862	800,532	36,128				
West 8/.....	12	1,010,100	5,893,875	51.7	3.4	1,332,572	1,220,562	659,492	388				
Ports 9/.....	10	1,216,780	8,156,633	53.3	4.6	1,348,517	1,217,469	193,462	8,603				
Total compresses.....	73	6,716,688	45,647,999	55.0	5.2	6,195,511	5,815,684	3,428,319	1,857,964				

1/ Includes space approved by CCC less space converted to other uses.
 2/ Service performed requiring the removal of the bale from storage and return.
 3/ Service performed at time of another service but usually at time of shipment.
 4/ Warehouses are storage facilities without compress equipment. Compresses are storage facilities with compress equipment.
 5/ Includes Alabama, Georgia, North Carolina, and South Carolina.
 6/ Includes Arkansas, Louisiana, Mississippi, Missouri, and Tennessee.
 7/ Includes Oklahoma and Texas excluding district 6.
 8/ Includes Arizona, California, New Mexico, and district 6 Texas.
 9/ Includes Gulf Port facilities of Louisiana and Texas.

Table 3.--Standardized per bale cost: Receiving cotton at selected warehouses, by area and United States, 1964-65

Cost item	Area				United States
	South-east	South Central	South-west		
	----- Dollars per bale -----				
<u>Fixed costs</u>					
Depreciation <u>1/</u>.....	.021	.012	.011		.018
Insurance.....	.006	.004	.002		.005
Taxes.....	.008	.005	.003		.007
Leases and rentals.....	.015	.050	.007		.019
Other.....	.010	.006	.004		.009
Interest on investment <u>2/</u>.....	.047	.085	.048		.052
Total fixed costs.....	.107 <i>.238</i>	.162 <i>.212</i>	.075, <i>.181</i>	<i>.240</i>	.110
<u>Variable costs</u>					
Personnel expense.....	.584	.615	.457		.572
Handling equipment <u>3/</u>.....	.050	.101	.075		.060
Repairs and maintenance.....	.016	.018	.003		.015
Utilities and fuel.....	.009	.027	.007		.011
Home office cost.....	.022	.010	.051		.024
Supplies (warehouse).....	.055	.065	.046		.055
Office supplies and expense.....	.004	.005	.004		.004
Claims.....	--	--	--		--
Transportation expense <u>4/</u>.....	.020	.003	.010		.016
Other.....	.018	.036	.018		.021
Interest, working capital <u>5/</u>.....	.008	.011	.013		.009
Total variable costs.....	.786 <i>1.163</i>	.891 <i>.716</i>	.684, <i>.796</i>	<i>.704</i>	.787
Total fixed and variable costs.....	.893, <i>.401</i>	1.053, <i>.928</i>	.759, <i>.977</i>	<i>.944</i>	.897

1/ Excluding materials handling equipment. Costs are based on standardized depreciation rates applied to original acquisition costs.

2/ Calculated at 6 percent of half the acquisition costs of building and equipment plus full cost of land; actual expenditures of this nature were eliminated.

3/ Total operating and ownership costs for materials handling equipment. Wages paid drivers or operators appear under personnel expenses.

4/ Includes switching, demurrage, and nonrefundable hauling and freight.

5/ Calculated at 6 percent per annum, borrowed quarterly, of the "out-of-pocket costs;" actual expenditures of this nature were eliminated.

Note: See table 1 for delineation of areas.

Table 4.--Standardized per bale cost: Receiving cotton at selected compresses, by area and United States, 1964-65

Cost item ^{1/}	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	.012	.010	.008	.015	.008	.010
Insurance.....	.004	.004	.002	.002	.003	.003
Taxes.....	.011	.006	.002	.007	.008	.006
Leases and rentals.....	.006	*	.004	.001	.017	.004
Other.....	.003	.002	.002	.003	.003	.002
Interest on investment..	.025	.034	.050	.039	.048	.040
Total fixed costs.....	.061¹³²	.056¹⁷²	.068¹⁷⁴	.067⁰⁸¹	.087¹⁷⁹	.065¹¹¹
Variable costs						
Personnel expense.....	.533	.385	.383	.398 ²⁷¹	.387	.392
Handling equipment.....	.063	.079	.058	.060	.050	.066
Repairs & maintenance..	.011	.007	.004	.006	.003	.006
Utilities and fuel.....	.008	.003	.002	.011	.004	.004
Home office cost.....	.008	.028	.035	.034	.012	.027
Supplies (compress).....	.052	.053	.043	.057	.037	.048
Office supplies and expense.....	.006	.005	.003	.003	.003	.004
Claims.....	--	--	--	.002	--	*
Transportation expense..	*	.001	.013	.002	.006	.005
Other.....	.014	.009	.014	.010	.015	.012
Interest, working capital.....	.007	.007	.010	.006	.010	.008
Total variable costs..	.702⁹⁰⁴	.577⁸²⁸	.565⁶⁹⁷	.589⁴¹³	.527⁸⁵⁷	.572⁷⁵²
Total fixed and variable costs.....	.763¹⁰³⁶	.633¹⁰⁰⁰	.633⁸⁷¹	.656¹¹⁹⁴	.614¹⁰³⁶	.637⁷¹³

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 5.--Standardized per bale cost per month: Storage of cotton at selected warehouses, by area and United States, 1964-65

Cost item ^{1/}	Area			
	South- east	South Central	South- west	United States
	----- Dollars per bale -----			
Fixed costs				
Depreciation.....	.016	.012	.025	.016
Insurance.....	.005	.004	.005	.005
Taxes.....	.007	.007	.009	.007
Leases and rentals.....	.027	.024	.029	.027
Other.....	.003	.001	.002	.003
Interest on investment.....	.029	.016	.029	.027
Total fixed costs.....	.087,184	.064,111	.099,123	.085,897
Variable costs				
Personnel expense.....	.080	.056	.080	.077,155
Handling equipment.....	.009	.006	.017	.010
Insurance, storage cotton.....	.034	.043	.031	.035
Repairs and maintenance.....	.008	.017	.009	.009
Utilities and fuel.....	.005	.005	.008	.005
Home office cost.....	.005	.004	.024	.007
Supplies (warehouse).....	*	.002	.002	.001
Office supplies and expense.....	.002	.002	.002	.002
Claims.....	.001	.003	.003	.002
Transportation expense.....	.005	.001	.003	.004
Other.....	.012	.011	.009	.011
Interest, working capital.....	.004	.003	.004	.004
Total variable costs.....	.165,364	.153,136	.192,203	.167,312
Total fixed and variable costs.....	.252,548	.217,247	.291,326	.252,899

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 6.--Standardized per bale cost per month: Storage of cotton at selected compresses, by area and United States, 1964-65

Cost item ^{1/}	Area					
	South- east	South Central	South- west	West	Ports	United States
	- - - - - Dollars per bale - - - - -					
Fixed costs						
Depreciation.....	.017	.017	.022	.037	.028	.023
Insurance.....	.008	.005	.004	.006	.006	.005
Taxes.....	.022	.013	.012	.031	.028	.017
Leases and rentals.....	.009	.002	.016	.001	.036	.011
Other.....	.003	.001	.001	.002	.002	.001
Interest on investment..	.022	.020	.022	.027	.023	.022
Total fixed costs....	.081,906	.058,114	.077,145	.104,119	.123,163	.079,135
Variable costs						
Personnel expense.....	.116	.079	.088	.116	.100	.090
Handling equipment.....	.022	.015	.014	.021	.012	.016
Insurance, storage cotton.....	.036	.029	.014	.029	.007	.022
Repairs & maintenance..	.024	.014	.014	.017	.009	.014
Utilities and fuel.....	.009	.004	.005	.007	.008	.005
Home office cost.....	.006	.013	.015	.022	.007	.013
Supplies (compress)....	.002	.005	.003	.007	.003	.004
Office supplies and expense.....	.005	.003	.001	.002	.001	.002
Claims.....	.003	.003	.003	.002	.001	.003
Transportation expense..	.019	*	.004	.002	.002	.002
Other.....	.012	.006	.007	.006	.007	.007
Interest, working capital.....	.005	.003	.002	.004	.004	.003
Total variable costs..	.259,357	.174,271	.170,204	.235,186	.161,208	.181,276
Total fixed and variable costs.....	.340,458	.232,385	.247,349	.339,300	.284,371	.260,411

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 7.--Standardized per bale cost: Break-out of cotton at selected warehouses, by area and United States, 1964-65

Cost item <u>1/</u>	Area			
	South- east	South Central	South west	United States
	----- Dollars per bale -----			
<u>Fixed costs</u>				
Depreciation.....	.002	.001	*	.002
Insurance.....	*	*	*	*
Taxes.....	*	--	--	*
Leases and rentals.....	*	*	--	*
Other.....	.003	.003	*	.003
Interest on investment.....	.021	.023	.002	.020
Total fixed costs.....	.026,873	.027,066	.002,876	069.025
<u>Variable costs</u>				
Personnel expense.....	.698	.743	.321	.656
Handling equipment.....	.089	.295	.115	.121
Repairs and maintenance.....	*	--	--	*
Utilities and fuel.....	.005	.003	.001	.004
Home office cost.....	.011	.002	--	.008
Supplies (warehouse).....	.001	.006	.006	.002
Office supplies and expense.....	.001	.001	*	.001
Claims.....	--	--	--	--
Transportation expense.....	.005	.001	*	.004
Other.....	.008	.011	.002	.008
Interest, working capital.....	.004	.004	.005	.004
Total variable costs.....	.822,651	1.066,775	.450,564	207.808
Total fixed and variable costs.....	.848,724	1.093,841	.452,640	276.833

1/ See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 8.--Standardized per bale cost: Break-out of cotton at selected compresses, by area and United States, 1964-65

Cost item ^{1/}	Area					
	South-east	South Central	South-west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	* ²	--	--	.001	--	*
Insurance.....	*	--	--	--	--	*
Taxes.....	--	--	--	--	--	--
Leases and rentals.....	--	--	--	.001	--	*
Other.....	.001	--	--	.001	--	*
Interest on investment..	.010	--	--	.006	--	.001
Total fixed costs....	.011⁰²⁹	--⁰⁷⁹	--⁰⁴⁵	.009⁰⁵⁹	--¹⁰⁷	.001⁰⁴²
Variable costs						
Personnel expense.....	.413	.312	.289 ³⁰³	.329 ⁴²¹	.310	.312
Handling equipment.....	.043	.155	.147	.138	.153	.147
Repairs & maintenance..	--	--	--	--	--	--
Utilities & fuel.....	.001	--	--	.002	--	*
Home office cost.....	.007	--	--	.002	--	.001
Supplies (compress)....	.003	.006	.007	.002	.002	.005
Office supplies and expense.....	.002	--	--	.001	--	*
Claims.....	--	--	--	--	--	--
Transportation expense..	.009	--	--	--	--	*
Other.....	.004	--	--	.002	--	*
Interest, working capital.....	.002	.001	.005	.001	.002	.002
Total variable costs..	.484⁵⁷⁷	.474⁵⁰⁶	.448⁸⁷⁵	.477⁵⁷³	.467⁵⁰⁷	.467⁴⁹⁴
Total fixed and variable costs.....	.495⁶⁰¹	.474⁵⁷⁹	.448⁴²⁰	.486⁶³²	.467⁶¹⁴	.468⁵⁶⁶

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 9.--Standardized per bale cost: Shipping cotton at selected warehouses, by area and United States, 1964-65

Cost item <u>1/</u>	Area			
	South- east	South Central	South- west	United States
	- - - - - Dollars per bale - - - - -			
Fixed costs				
Depreciation.....	.015 ⁰⁷¹	.060	.018	.022
Insurance.....	.005 ⁰¹⁹	.009	.003	.005
Taxes.....	.008 ⁰²⁴	.016	.005	.009
Leases and rentals.....	.014 ⁰¹⁴	.214	.010	.041
Other.....	.005 -	.002 -	.002	.004
Interest on investment.....	.022 ¹³⁰	.031	.028	.024
Total fixed costs.....	.069²⁶⁰	.332¹¹⁴⁴	.066¹⁴²	.161¹⁰⁵
Variable costs				
Personnel expense.....	.260 ⁶⁶⁵	.342 ²⁷⁵	.208 -	.265
Handling equipment.....	.048 ⁰⁷²	.068 ⁰³⁵	.063	.053
Repairs and maintenance.....	.017 ⁰¹⁰	.025	.005	.017
Utilities and fuel.....	.006 -	.020	.006	.008
Home office cost.....	.007 ⁰⁰⁵	.006	.030	.010
Supplies (warehouse).....	.001 ⁰⁰⁶	.014	.001	.003
Office supplies and expense.....	.001 -	.002	.002	.001
Claims.....	-- -	--	--	--
Transportation expense.....	.006 ⁰⁰³	.002	.004	.005
Other.....	.009 ⁰¹⁹	.014	.007	.009
Interest, working capital.....	.005 ⁰²⁶	.005	.007	.005
Total variable costs.....	.360⁸²⁷	.498⁴³⁸	.333⁶⁰⁶	.168³⁷⁶
Total fixed and variable costs.....	.429¹⁰⁸⁷	.830⁵⁸²	.399¹⁴⁸	.329⁴⁸¹

1/ See footnotes, table 3, for explanation of various cost items.

Note: See table 1 for delineation of areas.

Table 10.--Standardized per bale cost: Shipping cotton at selected compresses, by area and United States, 1964-65

Cost item <u>1/</u>	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	.008	.008	.010	.020	.009	.010
Insurance.....	.003	.002	.002	.003	.003	.002
Taxes.....	.008	.006	.005	.009	.007	.007
Leases and rentals.....	.004	*	.004	.001	.019	.004
Other.....	.005	.001	.001	.004	.003	.002
Interest on investment..	.029	.017	.024	.042	.051	.027
Total fixed costs....	.057¹³⁴	.034¹³⁵	.046¹¹⁰	.079¹⁴⁹	.092²⁰⁴	.052¹⁶³
Variable costs						
Personnel expense.....	.191	.196	.163	.161	.349	.208
Handling equipment.....	.037	.062	.061	.050	.114	.068
Repairs & maintenance..	.008	.005	.006	.006	.003	.005
Utilities and fuel.....	.009	.002	.003	.010	.004	.004
Home office cost.....	.007	.009	.016	.037	.012	.014
Supplies (compress)....	.002	.003	.001	.009	.001	.003
Office supplies and expense.....	.006	.003	.002	.003	.003	.003
Claims.....	---	--	--	.002	--	*
Transportation expense..	.010	*	.006	.004	.015	.005
Other.....	.018	.005	.007	.008	.017	.008
Interest, working capital.....	.008	.004	.005	.006	.010	.005
Total variable costs..	.296⁵⁴⁸	.289⁴⁰⁸	.270³²⁸	.296³³²	.528⁵⁴⁰	.323⁵³⁴
Total fixed and variable costs.....	.353⁶⁸²	.323⁵⁴⁸	.316⁴³⁸	.375⁴⁷⁹	.620⁷⁴⁴	.375⁶⁹⁴

1/ See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 11.--Standardized per bale cost: Resampling and reweighing cotton from stock at selected warehouses, by area and United States, 1964-65

Cost item ^{1/}	Area			
	South- east	South Central	South- west	United States
	- - - - - Dollars per bale - - - - -			
Fixed costs				
Depreciation.....	.011	.002	.001	.008
Insurance.....	*	.003	.003	.001
Taxes.....	*	--	--	*
Leases and rentals.....	.011	--	.001	.008
Other.....	.007	.008	.004	.007
Interest on investment.....	.056	.056	.090	.060
Total fixed costs.....	.085	.069	.099	.084
Variable costs				
Personnel expense.....	.998	1.150	.758	.988
Handling equipment.....	.167	.411	.067	.188
Repairs and maintenance.....	.001	.001	.003	.001
Utilities and fuel.....	.015	.012	.004	.013
Home office cost.....	.014	.020	.108	.027
Supplies (warehouse).....	.005	.016	.018	.008
Office supplies and expense.....	.004	.003	.005	.004
Claims.....	--	--	--	--
Transportation expense.....	.008	.002	.014	.008
Other.....	.018	.038	.020	.021
Interest, working capital.....	.020	.011	.013	.018
Total variable costs.....	1.250	1.664	1.010	1.276
Total fixed and variable costs.....	1.335	1.733	1.109	1.360

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 12.--Standardized per bale cost: Resampling and reweighing of cotton from stock at selected compresses, by area and United States, 1964-65

Cost item ^{1/}	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	.003	.001	*	.003	.001	.001
Insurance.....	--	.001	.001	.001	.002	.001
Taxes.....	--	--	--	*	--	*
Leases and rentals.....	--	*	*	.001	--	*
Other.....	.007	.003	.002	.004	.005	.003
Interest on investment..	.036	.040	.050	.071	.065	.050
Total fixed costs.....	.046	.045	.053	.080	.073	.055
Variable costs						
Personnel expense.....	.989	.656	.925	.668	.875	.773
Handling equipment.....	.090	.224	.138	.123	.248	.190
Repairs & maintenance..	--	.002	.001	.002	--	.001
Utilities and fuel.....	.013	.003	.001	.013	.002	.004
Home office cost.....	--	.024	.033	.069	.032	.032
Supplies (compress)....	.002	.023	.012	.026	.010	.018
Office supplies and expense.....	.008	.007	.004	.004	.005	.006
Claims.....	--	--	--	.001	--	*
Transportation expense..	.001	.001	.011	.005	.002	.004
Other.....	.025	.011	.014	.016	.020	.014
Interest, working capital.....	.012	.011	.011	.009	.016	.011
Total variable costs..	1.140	.962	1.150	.936	1.210	1.053
Total fixed and variable costs.....	1.186	1.007	1.203	1.016	1.283	1.108

^{1/} See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 13.--Standardized per bale cost: Resampling and reweighing of cotton at time of other service for selected warehouses, by area and United States, 1964-65

Cost item <u>1/</u>	Area			
	South- east	South Central	South- west	United States
	- - - - - Dollars per bale - - - - -			
<u>Fixed costs</u>				
Depreciation.....	.005	.001	.001	.004
Insurance.....	*	.002	.001	*
Taxes.....	*	--	--	*
Leases and rentals.....	.004	*	.002	.003
Other.....	.004	.004	.005	.005
Interest on investment.....	.039	.026	.065	.051
Total fixed costs.....	.052	.033	.074	.063
<u>Variable costs</u>				
Personnel expense.....	.469	.629	.413	.483
Handling equipment.....	.006	.143	.050	.031
Repairs and maintenance.....	.002	.001	--	.002
Utilities and fuel.....	.005	.010	.004	.006
Home office cost.....	.026	.026	.017	.025
Supplies (warehouse).....	.006	.013	.006	.007
Office supplies and expense.....	.003	.003	.003	.003
Claims.....	--	--	--	--
Transportation expense.....	.015	.002	.008	.012
Other.....	.017	.021	.012	.017
Interest, working capital.....	.006	.009	.008	.007
Total variable costs.....	.555	.857	.521	.593
Total fixed and variable costs.....	.607	.890	.595	.656

1/ See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 14.--Standardized per bale cost: Resampling and reweighing of cotton at time of other service for selected compresses, by area and United States, 1964-65

Cost item <u>1/</u>	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
<u>Fixed costs</u>						
Depreciation.....	.002	.003	*	.003	*	.001
Insurance.....	--	--	*	--	.001	*
Taxes.....	--	*	--	--	--	*
Leases and rentals.....	--	--	.003	--	--	.001
Other.....	.004	.001	.001	.002	.003	.002
Interest on investment..	.052	.017	.041	.064	.036	.033
Total fixed costs....	.058	.021	.045	.069	.040	.037
<u>Variable costs</u>						
Personnel expense.....	.280	.280	.312	.268	.548	.330
Handling equipment.....	.007	.019	.012	.003	.047	.019
Repairs & maintenance..	--	*	.005	--	--	.001
Utilities & fuel.....	.019	.002	.001	--	--	.002
Home office cost.....	.002	.013	.027	--	.006	.013
Supplies (compress)....	.014	.018	.008	.010	.007	.013
Office supplies and expense .....	.016	.002	.002	.003	.003	.003
Claims.....	--	--	--	--	--	--
Transportation expense..	--	.001	.005	--	.001	.002
Other.....	.021	.008	.012	.018	.018	.012
Interest, working capital.....	.009	.006	.007	.008	.009	.007
Total variable costs..	.368	.349	.391	.310	.639	.402
Total fixed and variable costs.....	.426	.370	.436	.379	.679	.439

1/ See footnotes, table 3, for explanation of various cost items.

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 15.--Standardized per bale cost: Standard density compression of cotton at selected compresses, by area and United States, 1964-65

Cost item <u>1/</u>	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	.031	.034	.057	.062	.061	.047
Insurance.....	.005	.006	.007	.008	.009	.007
Taxes.....	.008	.005	.006	.024	.014	.009
Leases and rentals.....	.004	.001	.007	.003	.020	.006
Other.....	.008	.003	.004	.008	.006	.004
Interest on investment..	.087	.057	.106	.112	.107	.085
Total fixed costs....	.143,159	.106,307	.187,320	.217,348	.217,371	.158,315
Variable costs						
Personnel expense.....	.831	.553	.767	.775	1.034	.719
Handling equipment.....	.054	.014	.029	.027	.004	.019
Repairs & maintenance..	.020	.045	.062	.073	.065	.055
Utilities and fuel.....	.102	.092	.086	.109	.076	.090
Home office cost.....	.031	.031	.072	.063	.030	.045
Supplies (compress)....	.186	.103	.084	.116	.121	.106
Office supplies and expense.....	.024	.009	.007	.011	.006	.009
Claims.....	--	--	--	.003	--	*
Transportation expense..	.017	.002	.027	.003	.009	.010
Other.....	.039	.017	.030	.028	.033	.025
Interest, working capital.....	.020	.013	.019	.015	.021	.016
Total variable costs..	1.324,601	.879,533	1.183,481	1.223,176	1.399,192	1.094,163
Total fixed and variable costs.....	1.467,760	.985,840	1.370,801	1.440,211	1.616,233	1.252,192

1/ See footnotes, table 3, for explanation of various cost items. 1120

*Less than .0005 dollar per bale.

Note: See table 1 for delineation of areas.

Table 16.--Standardized per bale cost: High density compression of cotton at selected compresses, by area and United States, 1964-65

Cost item ^{1/}	Area					
	South- east	South Central	South- west	West	Ports	United States
	----- Dollars per bale -----					
Fixed costs						
Depreciation.....	.041	.049	.072	.074	.067 ⁰²⁶	.060
Insurance.....	.005	.012	.008	.007	.012 ⁰⁰⁵	.010
Taxes.....	.021	.008	.007	.034	.011 ⁰²⁵	.012
Leases and rentals.....	.013	.001	.007	.002	.021 ⁰³⁶	.006
Other.....	.015	.005	.004	.014	.006 ¹	.006
Interest on investment..	.091	.127	.137	.124	.125 ¹⁶⁹	.127
Total fixed costs....	.186³¹²	.202⁴⁹⁹	.235³¹³	.255⁵²⁹	.242³¹¹	.221⁴⁴¹
Variable costs						
Personnel expense.....	1.018 ¹	.839	.884 ^{1.037}	.930	1.083 ^{1.068}	.906 ^{1.155}
Handling equipment.....	.010	.022	.027 ⁰²⁴	.034	.021	.024
Repairs & maintenance..	.060	.063	.080 ¹²⁰	.067	.069	.069
Utilities and fuel.....	.130	.132	.111 ¹⁰¹	.135	.093	.121
Home office cost.....	.003	.052	.122 ⁰⁵²	.120	.026	.071
Supplies (compress).....	.433	.345	.288 ¹¹⁵	.374	.321	.333
Office supplies and expense.....	.022	.013	.008 ⁰¹⁰	.011	.008	.011
Claims.....	--	.002	.001 ¹	.009	--	.002
Transportation expense..	.001	.003	.040 ⁰¹⁷	.006	.006	.013
Other.....	.056	.027	.041 ⁰³⁵	.027	.039	.034
Interest, working capital.....	.027	.022	.029 ⁰³²	.019	.030	.025
Total variable costs..	1.760²⁶⁴⁰	1.520²²⁹⁶	1.631^{1.543}	1.732²²²¹	1.696²⁰⁴⁸	1.609²¹⁴⁰
Total fixed and variable costs.....	1.946²⁹⁵²	1.722²¹¹³	1.866^{1.851}	1.987²⁷⁵⁰	1.938²³⁵⁹	1.830²⁵⁸¹

^{1/} See footnotes, table 3, for explanation of various cost items.

Note: See table 1 for delineation of areas.

Table 17.--Weighted total replacement costs per bale per month for storing cotton and per bale for handling, and other services, by area and type of facility, 1964-65 1/

Area and type of plant	Total costs based on replacement for--						
	Receiving	Storage	Break-out	Shipping	Resample and reweigh	Compression	High
	from stock	ATOS 2/	Standard	High	Dollars		
Southeast							
Warehouse	0.916	0.267	0.854	0.442	1.355	0.620	--
Compress	.820	.403	.508	.406	1.237	.557	2.190
All plants	.906	.281	.819	.438	1.343	.614	2.190
South Central							
Warehouse	1.198	.270	1.127	1.033	1.815	.928	--
Compress	.678	.275	.474	.349	1.046	.390	1.083
All plants	.746	.274	.559	.438	1.146	.460	1.905
Southwest							
Warehouse	.796	.331	.454	.431	1.162	.634	--
Compress	.685	.296	.448	.349	1.245	.471	2.019
All plants	.706	.303	.449	.365	1.230	.502	2.019
West							
Compress	.679	.372	.489	.402	1.042	.403	2.027
Gulf Ports							
Compress	.650	.331	.467	.660	1.320	.701	2.077
United States							
Warehouse	.940	.276	.841	.522	1.394	.666	--
Compress	.680	.303	.468	.406	1.146	.469	1.986
All plants	.763	.294	.588	.443	1.225	.532	1.986

1/ Replacement costs include out-of-pocket costs, plus depreciation and return on investment based on estimated replacement costs for plant and equipment, and use of present land area.

2/ At time of other service, usually shipment.

Note: See table 1 for delineation of areas.

Table 18.--Cotton storage capacity of warehouses, by total storage cost based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--			
	South- east	South Central	South- west	United States
	----- <u>Bales</u> -----			
Less than--				
1.60.....	--	396,670	--	396,670
1.80.....	--	396,670	77,330	474,000
2.00.....	364,500	455,870	132,410	952,780
2.20.....	520,220	455,870	132,410	1,108,500
2.40.....	520,220	455,870	132,410	1,108,500
2.60.....	1,230,242	455,870	311,505	1,997,617
2.80.....	1,937,839	455,870	311,505	2,705,214
3.00.....	2,547,522	455,870	392,905	3,396,297
3.20.....	2,837,757	617,295	392,905	3,847,957
3.40.....	3,983,102	713,855	548,965	5,245,922
3.60.....	4,377,009	713,855	608,165	5,699,029
3.80.....	4,669,589	741,395	669,365	6,080,349
4.00.....	5,040,245	741,395	669,365	6,451,005
4.20.....	5,177,645	741,395	669,365	6,588,405
4.40.....	5,297,003	763,526	761,165	6,821,694
4.60.....	5,297,003	763,526	761,165	6,821,694
4.80.....	5,485,503	817,382	761,165	7,064,050
5.00.....	5,721,123	817,382	761,165	7,299,670
5.20.....	5,721,123	817,382	798,050	7,336,555
5.40.....	5,721,123	817,382	798,050	7,336,555
5.60.....	5,721,123	817,382	798,050	7,336,555
5.80.....	5,721,123	915,302	798,050	7,434,475
6.00.....	5,721,123	915,302	798,050	7,434,475
6.20.....	5,721,123	915,302	798,050	7,434,475
6.40.....	5,721,123	915,302	798,050	7,434,475
6.60.....	5,721,123	915,302	798,050	7,434,475
6.80.....	5,721,123	915,302	859,250	7,495,675
7.00.....	5,721,123	915,302	859,250	7,495,675
All plants..	5,721,123	1,036,126	885,070	7,642,319

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas.

Table 19.--Cotton storage capacity of compresses, by total storage cost based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--					
	South- east	South Central	South- west	West	Ports	United States
	----- Bales -----					
Less than--						
1.60.....	--	--	--	--	--	--
1.80.....	--	--	--	--	--	--
2.00.....	--	--	315,869	--	276,377	592,246
2.20.....	--	270,360	1,550,638	--	592,182	2,413,180
2.40.....	--	495,660	1,773,523	--	592,182	2,861,365
2.60.....	--	2,115,921	2,198,248	--	592,182	4,906,351
2.80.....	--	3,243,923	2,198,248	654,710	592,182	6,689,063
3.00.....	--	4,804,369	2,198,248	654,710	744,117	8,401,444
3.20.....	--	5,925,505	2,616,895	765,852	744,117	10,052,369
3.40.....	--	6,099,813	2,616,895	874,422	1,787,464	11,378,594
3.60.....	278,822	6,725,979	2,616,895	874,422	2,562,355	13,058,473
3.80.....	400,480	7,136,570	2,616,895	1,106,988	2,562,355	13,823,288
4.00.....	400,480	7,136,570	2,794,623	1,349,718	2,562,355	14,243,746
4.20.....	400,480	7,427,082	3,180,094	1,517,118	2,562,355	15,087,129
4.40.....	400,480	7,427,082	3,180,094	1,517,118	2,562,355	15,087,129
4.60.....	400,480	7,427,082	3,391,174	1,517,118	2,562,355	15,298,209
4.80.....	400,480	7,427,082	3,816,998	1,517,118	2,562,355	15,724,033
5.00.....	400,480	7,427,082	3,816,998	1,517,118	2,824,175	15,985,853
5.20.....	400,480	7,427,082	3,816,998	1,517,118	2,824,175	15,985,853
5.40.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
5.60.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
5.80.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
6.00.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
6.20.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
6.40.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
6.60.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
6.80.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
7.00.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
All plants..	646,048	7,427,082	4,341,113	1,818,037	2,824,175	17,056,455

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas.

Table 20.--Cotton storage capacity of warehouses and compresses, by total storage cost based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--				
	South- east	South Central	South- west	West	United States
	----- Bales -----				
Less than--					
1.60.....	--	396,670	--	--	396,670
1.80.....	--	396,670	77,330	--	474,000
2.00.....	364,500	455,870	724,656	--	1,545,026
2.20.....	520,220	726,230	2,275,230	--	3,521,680
2.40.....	520,220	951,530	2,498,115	--	3,969,865
2.60.....	1,230,242	2,571,791	3,101,935	--	6,903,968
2.80.....	1,937,839	3,699,793	3,101,935	654,710	9,394,277
3.00.....	2,547,522	5,260,239	3,335,270	654,710	11,797,741
3.20.....	2,837,757	6,542,800	3,753,917	765,852	13,900,326
3.40.....	3,983,102	7,038,018	4,728,974	874,422	16,624,516
3.60.....	4,655,831	7,664,184	5,563,065	874,422	18,757,502
3.80.....	5,070,069	8,102,315	5,624,265	1,106,988	19,903,637
4.00.....	5,440,725	8,102,315	5,801,993	1,349,718	20,694,751
4.20.....	5,578,125	8,392,827	6,187,464	1,517,118	21,675,534
4.40.....	5,697,483	8,414,958	6,279,264	1,517,118	21,908,823
4.60.....	5,697,483	8,414,958	6,490,344	1,517,118	22,119,903
4.80.....	5,885,983	8,468,814	6,916,168	1,517,118	22,788,083
5.00.....	6,121,603	8,468,814	7,177,988	1,517,118	23,285,523
5.20.....	6,121,603	8,468,814	7,214,873	1,517,118	23,322,408
5.40.....	6,367,171	8,468,814	7,214,873	1,628,260	23,679,118
5.60.....	6,367,171	8,468,814	7,214,873	1,628,260	23,679,118
5.80.....	6,367,171	8,566,734	7,214,873	1,628,260	23,777,038
6.00.....	6,367,171	8,566,734	7,214,873	1,628,260	23,777,038
6.20.....	6,367,171	8,566,734	7,462,523	1,628,260	24,024,688
6.40.....	6,367,171	8,566,734	7,462,523	1,628,260	24,024,688
6.60.....	6,367,171	8,566,734	7,462,523	1,628,260	24,024,688
6.80.....	6,367,171	8,566,734	7,523,723	1,628,260	24,085,888
7.00.....	6,367,171	8,566,734	7,523,723	1,628,260	24,085,888
All plants..	6,367,171	8,687,558	7,826,008	1,818,037	24,698,774

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas. The port facilities of Louisiana are combined with the South Central, and the Texas port facilities are combined with the Southwest.

Table 21.--Cotton storage capacity of warehouses, by total handling and storage costs based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--			
	South- east	South Central	South- west	United States
	----- Bales -----			
Less than--				
3.60.....	--	59,200	77,330	136,530
3.80.....	83,945	59,200	77,330	220,475
4.00.....	83,945	164,550	222,710	471,205
4.20.....	83,945	164,550	222,710	471,205
4.40.....	526,003	164,550	304,110	994,663
4.60.....	526,003	455,870	304,110	1,285,983
4.80.....	526,003	455,870	395,910	1,377,783
5.00.....	1,129,333	455,870	484,705	2,069,908
5.20.....	1,304,293	455,870	543,905	2,304,068
5.40.....	1,826,962	646,780	543,905	3,017,647
5.60.....	2,408,322	646,780	543,905	3,599,007
5.80.....	2,886,981	674,320	605,105	4,166,406
6.00.....	3,436,847	674,320	605,105	4,716,272
6.20.....	3,787,299	674,320	605,105	5,066,724
6.40.....	4,011,639	741,395	605,105	5,358,139
6.60.....	4,325,119	741,395	696,905	5,763,419
6.80.....	4,753,287	741,395	696,905	6,191,587
7.00.....	4,753,287	817,382	733,790	6,304,459
7.20.....	5,158,057	817,382	733,790	6,709,229
7.40.....	5,158,057	817,382	733,790	6,709,229
7.60.....	5,265,954	817,382	733,790	6,817,126
7.80.....	5,402,763	817,382	733,790	6,953,935
8.00.....	5,402,763	817,382	733,790	6,953,935
8.20.....	5,402,763	817,392	733,790	6,953,935
8.40.....	5,540,163	817,382	733,790	7,091,335
8.60.....	5,540,163	817,382	733,790	7,091,335
8.80.....	5,540,163	817,382	733,790	7,091,335
9.00.....	5,540,163	817,382	794,990	7,152,535
All plants..	5,721,123	1,036,126	885,070	7,642,319

1/ Includes per bale costs for receiving, 12 months' storage, break-out, and shipping. Total receipts are equal to .34 times the average monthly storage volume for the Southeast, .60 for the South Central, and .97 for the Southwest. Total shipments are equal to .55 times the average monthly storage volume for the Southeast, .77 for the South Central, and 1.34 for the Southwest.

Note: See table 1 for delineation of areas.

Table 22.--Cotton storage capacity of compresses, by total handling and storage costs based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--						United States
	South- east	South Central	South- west	West	Ports		
	----- Bales -----						
Less than--							
3.60.....	--	270,360	1,513,751	--	276,377	2,060,488	
3.80.....	--	1,340,781	1,789,468	289,520	276,377	3,696,146	
4.00.....	--	1,755,333	1,975,363	654,710	276,377	4,661,783	
4.20.....	--	2,275,349	2,198,248	654,710	592,182	5,720,489	
4.40.....	--	3,296,350	2,514,208	654,710	592,182	7,057,450	
4.60.....	--	4,204,184	2,514,208	654,710	744,117	8,117,219	
4.80.....	--	4,844,036	2,514,208	654,710	744,117	8,757,071	
5.00.....	--	5,662,727	2,514,208	765,852	1,246,827	10,189,614	
5.20.....	--	5,924,075	2,514,208	765,852	1,812,149	11,016,284	
5.40.....	--	6,771,752	2,794,623	1,173,948	2,338,005	13,078,328	
5.60.....	--	7,136,570	2,794,623	1,291,128	2,562,355	13,784,676	
5.80.....	--	7,136,570	3,180,094	1,291,128	2,562,355	14,170,147	
6.00.....	121,658	7,427,082	3,451,583	1,291,128	2,562,355	14,853,806	
6.20.....	121,658	7,427,082	3,605,918	1,416,678	2,562,355	15,133,691	
6.40.....	400,480	7,427,082	3,605,918	1,416,678	2,562,355	15,412,513	
6.60.....	400,480	7,427,082	3,816,998	1,416,678	2,562,355	15,623,593	
6.80.....	400,480	7,427,082	3,816,998	1,517,118	2,562,355	15,724,033	
7.00.....	400,480	7,427,082	3,816,998	1,628,260	2,824,175	16,096,995	
7.20.....	400,480	7,427,082	3,816,998	1,628,260	2,824,175	16,096,995	
7.40.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563	
7.60.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563	
7.80.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563	
8.00.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213	
8.20.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213	
8.40.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213	
8.60.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213	
8.80.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213	
9.00.....	646,048	7,427,082	4,341,113	1,717,597	2,824,175	16,956,015	
All plants..	646,048	7,427,082	4,341,113	1,818,037	2,824,175	17,056,455	

1/ Includes per bale costs for receiving, 12 months' storage, break-out, and shipping. Total receipts are equal to .34 times the average monthly storage volume for the Southeast, .60 for the South Central, .97 for the Southwest, 1.53 for the West, and 1.96 for the Ports. Total shipments are equal to .55 times the average monthly storage volume for the Southeast, .77 for the South Central, 1.34 for the Southwest, 1.61 for the West, and 1.72 for the Ports.

Note: See table 1 for delineation of areas.

Table 23.--Cotton storage capacity of warehouses and compresses, by total handling and storage costs based on volumes equivalent to 85-percent occupancy, by area and United States, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--					United States
	South-east	South Central	South-west	West		
	----- Bales -----					
Less than--						
3.60.....	--	329,560	1,867,458	--		2,197,018
3.80.....	83,945	1,399,981	2,143,175	289,520		3,916,621
4.00.....	83,945	1,919,883	2,474,450	654,710		5,132,988
4.20.....	83,945	2,439,899	3,013,140	654,710		6,191,694
4.40.....	526,003	3,460,900	3,410,500	654,710		8,052,113
4.60.....	526,003	4,660,054	3,562,435	654,710		9,403,202
4.80.....	526,003	5,299,906	3,654,235	654,710		10,134,854
5.00.....	1,129,333	6,118,597	4,245,740	765,852		12,259,522
5.20.....	1,304,293	6,379,945	4,870,262	765,852		13,320,352
5.40.....	1,826,962	7,418,532	5,676,533	1,173,948		16,095,975
5.60.....	2,408,322	8,007,700	5,676,533	1,291,128		17,383,683
5.80.....	2,886,981	8,035,240	6,123,204	1,291,128		18,336,553
6.00.....	3,558,505	8,325,752	6,394,693	1,291,128		19,570,078
6.20.....	3,908,957	8,325,752	6,549,028	1,416,678		20,200,415
6.40.....	4,412,119	8,392,827	6,549,028	1,416,678		20,770,652
6.60.....	4,725,599	8,392,827	6,851,908	1,416,678		21,387,012
6.80.....	5,153,767	8,392,827	6,851,908	1,517,118		21,915,620
7.00.....	5,153,767	8,468,814	7,150,613	1,628,260		22,401,454
7.20.....	5,558,537	8,468,814	7,150,613	1,628,260		22,806,224
7.40.....	5,804,105	8,468,814	7,150,613	1,628,260		23,051,792
7.60.....	5,912,002	8,468,814	7,150,613	1,628,260		23,159,689
7.80.....	6,048,811	8,468,814	7,150,613	1,628,260		23,296,498
8.00.....	6,048,811	8,468,814	7,398,263	1,628,260		23,544,148
8.20.....	6,048,811	8,468,814	7,398,263	1,628,260		23,544,148
8.40.....	6,186,211	8,468,814	7,398,263	1,628,260		23,681,548
8.60.....	6,186,211	8,468,814	7,398,263	1,628,260		23,681,548
8.80.....	6,186,211	8,468,814	7,398,263	1,628,260		23,681,548
9.00.....	6,186,211	8,468,814	7,735,928	1,717,597		24,108,550
All plants..	6,367,171	8,687,558	7,826,008	1,818,037		24,698,774

1/ See footnote, table 22, for ratio of receipts and shipments to average monthly storage volume.

Note: See table 1 for delineation of areas. The port facilities of Louisiana are combined with the South Central, and the Texas port facilities are combined with the Southwest.

Table 24.--Cotton storage capacity of warehouses, by out-of-pocket storage costs based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--			
	South- east	South Central	South- west	United States
	----- <u>Bales</u> -----			
Less than--				
1.60.....	727,292	455,870	166,125	1,349,287
1.80.....	1,103,185	455,870	221,205	1,780,260
2.00.....	1,467,345	455,870	311,505	2,234,720
2.20.....	2,161,639	455,870	392,905	3,010,414
2.40.....	2,301,999	455,870	392,905	3,150,774
2.60.....	2,637,849	550,220	484,705	3,672,774
2.80.....	3,712,742	646,780	608,165	4,967,687
3.00.....	4,914,295	700,636	608,165	6,223,096
3.20.....	4,914,295	789,842	608,165	6,312,302
3.40.....	5,177,645	817,382	608,165	6,603,192
3.60.....	5,297,003	817,382	669,365	6,783,750
3.80.....	5,297,003	817,382	669,365	6,783,750
4.00.....	5,673,033	817,382	669,365	7,159,780
4.20.....	5,673,033	817,382	669,365	7,159,780
4.40.....	5,721,123	817,382	761,165	7,299,670
4.60.....	5,721,123	817,382	761,165	7,299,670
4.80.....	5,721,123	924,154	761,165	7,406,442
5.00.....	5,721,123	924,154	761,165	7,406,442
5.20.....	5,721,123	924,154	798,050	7,443,327
5.40.....	5,721,123	924,154	859,250	7,504,527
5.60.....	5,721,123	924,154	859,250	7,504,527
5.80.....	5,721,123	924,154	859,250	7,504,527
6.00.....	5,721,123	924,154	859,250	7,504,527
6.20.....	5,721,123	924,154	859,250	7,504,527
6.40.....	5,721,123	924,154	859,250	7,504,527
6.60.....	5,721,123	924,154	859,250	7,504,527
6.80.....	5,721,123	924,154	859,250	7,504,527
7.00.....	5,721,123	924,154	859,250	7,504,527
All plants..	5,721,123	1,036,126	885,070	7,642,319

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas.

Table 25.--Cotton storage capacity of compresses, by out-of-pocket storage costs based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) 1/	Storage capacity of plants in--					
	South- east	South Central	South- west	West	Ports	United States
	----- Bales -----					
Less than--						
1.60.....	--	270,360	1,863,345	--	--	2,133,705
1.80.....	--	270,360	1,863,345	--	592,182	2,725,887
2.00.....	--	1,673,796	2,198,248	--	592,182	4,464,226
2.20.....	--	3,143,915	2,198,248	111,142	592,182	6,045,487
2.40.....	--	4,333,284	2,300,935	765,852	975,182	8,375,253
2.60.....	--	5,688,265	2,300,935	765,852	975,182	9,730,234
2.80.....	278,822	6,099,813	2,300,935	765,852	1,877,323	11,322,745
3.00.....	278,822	6,725,979	2,478,663	874,422	2,562,355	12,920,241
3.20.....	278,822	7,136,570	2,794,623	1,106,988	2,562,355	13,879,358
3.40.....	278,822	7,427,082	3,180,094	1,349,718	2,562,355	14,798,071
3.60.....	400,480	7,427,082	3,180,094	1,517,118	2,562,355	15,087,129
3.80.....	400,480	7,427,082	3,180,094	1,517,118	2,562,355	15,087,129
4.00.....	400,480	7,427,082	3,391,174	1,517,118	2,562,355	15,298,209
4.20.....	400,480	7,427,082	3,545,509	1,517,118	2,562,355	15,452,544
4.40.....	400,480	7,427,082	3,816,998	1,517,118	2,824,175	15,985,853
4.60.....	400,480	7,427,082	3,816,998	1,517,118	2,824,175	15,985,853
4.80.....	646,048	7,427,082	3,816,998	1,517,118	2,824,175	16,231,421
5.00.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
5.20.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
5.40.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
5.60.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
5.80.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
6.00.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
6.20.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
6.40.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
6.60.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
6.80.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
7.00.....	646,048	7,427,082	4,341,113	1,717,597	2,824,175	16,956,015
All plants..	646,048	7,427,082	4,341,113	1,818,037	2,824,175	17,056,455

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas.

Table 26.--Cotton storage capacity of warehouses and compresses, by out-of-pocket storage cost based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--					United States
	South-east	South Central	South-west	West		
	----- <u>Bales</u> -----					
Less than--						
1.60.....	727,292	726,230	2,029,470	--	--	3,482,992
1.80.....	1,103,185	726,230	2,676,732	--	--	4,506,147
2.00.....	1,467,345	2,129,666	3,101,935	--	--	6,698,946
2.20.....	2,161,639	3,599,785	3,183,335	111,142		9,055,901
2.40.....	2,301,999	4,789,154	3,669,022	765,852		11,526,027
2.60.....	2,637,849	6,238,485	3,760,822	765,852		13,403,008
2.80.....	3,991,564	6,970,943	4,562,073	765,852		16,290,432
3.00.....	5,193,117	7,650,965	5,424,833	874,422		19,143,337
3.20.....	5,193,117	8,150,762	5,740,793	1,106,988		20,191,660
3.40.....	5,456,467	8,468,814	6,126,264	1,349,718		21,401,263
3.60.....	5,697,483	8,468,814	6,187,464	1,517,118		21,870,879
3.80.....	5,697,483	8,468,814	6,187,464	1,517,118		21,870,879
4.00.....	6,073,513	8,468,814	6,398,544	1,517,118		22,457,989
4.20.....	6,073,513	8,468,814	6,552,879	1,517,118		22,612,324
4.40.....	6,121,603	8,468,814	7,177,988	1,517,118		23,285,523
4.60.....	6,121,603	8,468,814	7,177,988	1,517,118		23,285,523
4.80.....	6,367,171	8,575,586	7,177,988	1,517,118		23,637,863
5.00.....	6,367,171	8,575,586	7,177,988	1,628,260		23,749,005
5.20.....	6,367,171	8,575,586	7,214,873	1,628,260		23,785,890
5.40.....	6,367,171	8,575,586	7,276,073	1,628,260		23,847,090
5.60.....	6,367,171	8,575,586	7,523,723	1,628,260		24,094,740
5.80.....	6,367,171	8,575,586	7,523,723	1,628,260		24,094,740
6.00.....	6,367,171	8,575,586	7,523,723	1,628,260		24,094,740
6.20.....	6,367,171	8,575,586	7,800,188	1,628,260		24,371,205
6.40.....	6,367,171	8,575,586	7,800,188	1,628,260		24,371,205
6.60.....	6,367,171	8,575,586	7,800,188	1,628,260		24,371,205
6.80.....	6,367,171	8,575,586	7,800,188	1,628,260		24,371,205
7.00.....	6,367,171	8,575,586	7,800,188	1,717,597		24,460,542
All plants..	6,367,171	8,687,558	7,826,008	1,818,037		24,698,774

1/ Includes per bale cost for 12 months' storage.

Note: See table 1 for delineation of areas. The port facilities of Louisiana are combined with the South Central, and the Texas port facilities are combined with the Southwest.

Table 27.--Cotton storage capacity of warehouses by out-of-pocket handling and storage costs based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--			
	South- east	South Central	South- west	United States
----- Bales -----				
Less than--				
3.00.....	83,945	59,200	77,330	220,475
3.20.....	83,945	59,200	167,630	310,775
3.40.....	83,945	59,200	249,030	392,175
3.60.....	216,838	59,200	304,110	580,148
3.80.....	532,637	59,200	484,705	1,076,542
4.00.....	1,386,188	164,550	484,705	2,035,443
4.20.....	1,804,148	455,870	543,905	2,803,923
4.40.....	2,260,723	455,870	543,905	3,260,498
4.60.....	2,468,450	583,880	543,905	3,596,235
4.80.....	2,863,986	646,780	543,905	4,054,671
5.00.....	3,283,482	646,780	543,905	4,474,167
5.20.....	3,538,637	700,636	543,905	4,783,178
5.40.....	3,762,977	728,176	605,105	5,096,258
5.60.....	4,069,865	750,307	605,105	5,425,277
5.80.....	4,597,567	750,307	605,105	5,952,979
6.00.....	4,597,567	750,307	605,105	5,952,979
6.20.....	4,786,067	750,307	605,105	6,141,479
6.40.....	4,893,964	817,382	605,105	6,316,451
6.60.....	5,110,234	817,382	696,905	6,624,521
6.80.....	5,402,763	817,382	696,905	6,917,050
7.00.....	5,402,763	817,382	794,990	7,015,135
7.20.....	5,402,763	817,382	794,990	7,015,135
7.40.....	5,402,763	817,382	794,990	7,015,135
7.60.....	5,540,163	817,382	794,990	7,152,535
7.80.....	5,540,163	817,382	794,990	7,152,535
8.00.....	5,540,163	817,382	794,990	7,152,535
All plants.:	5,721,123	1,036,126	885,070	7,642,319

1/ Includes per bale costs for receiving, 12 months' storage, break-out, and shipping. Total receipts are equal to .34 times the average monthly storage volume for the Southeast, .60 for the South Central, and .97 for the Southwest. Total shipments are equal to .55 times the average monthly storage volume for the Southeast, .77 for the South Central, and 1.34 for the Southwest.

Note: See table 1 for delineation of areas.

Table 28.--Cotton storage capacity of compresses, by out-of-pocket handling and storage costs based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--					
	South- east	South Central	South- west	West	Ports	United States
	----- Bales -----					
Less than--						
3.00.....	--	883,010	1,789,468	--	--	2,672,478
3.20.....	--	1,755,333	2,012,353	289,520	276,377	4,333,583
3.40.....	--	2,740,201	2,198,248	654,710	276,377	5,869,536
3.60.....	--	3,392,069	2,198,248	654,710	276,377	6,521,404
3.80.....	--	3,734,601	2,198,248	765,852	592,182	7,290,883
4.00.....	--	4,788,538	2,198,248	765,852	592,182	8,344,820
4.20.....	--	5,873,083	2,478,663	765,852	1,477,892	10,595,490
4.40.....	--	5,873,083	2,794,623	765,852	1,629,827	11,063,385
4.60.....	--	6,546,452	2,794,623	1,065,378	2,338,005	12,744,458
4.80.....	278,822	7,136,570	3,180,094	1,065,378	2,562,355	14,223,219
5.00.....	278,822	7,427,082	3,180,094	1,291,128	2,562,355	14,739,481
5.20.....	400,480	7,427,082	3,180,094	1,291,128	2,562,355	14,861,139
5.40.....	400,480	7,427,082	3,334,429	1,416,678	2,562,355	15,141,024
5.60.....	400,480	7,427,082	3,816,998	1,416,678	2,562,355	15,623,593
5.80.....	400,480	7,427,082	3,816,998	1,416,678	2,562,355	15,623,593
6.00.....	646,048	7,427,082	3,816,998	1,416,678	2,562,355	15,869,161
6.20.....	646,048	7,427,082	3,816,998	1,517,118	2,824,175	16,231,421
6.40.....	646,048	7,427,082	3,816,998	1,517,118	2,824,175	16,231,421
6.60.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
6.80.....	646,048	7,427,082	3,816,998	1,628,260	2,824,175	16,342,563
7.00.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
7.20.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
7.40.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
7.60.....	646,048	7,427,082	4,064,648	1,628,260	2,824,175	16,590,213
7.80.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
8.00.....	646,048	7,427,082	4,341,113	1,628,260	2,824,175	16,866,678
All plants..	646,048	7,427,082	4,341,113	1,818,037	2,824,175	17,056,455

1/ Includes per bale costs for receiving, 12 months' storage, break-out, and shipping. Total receipts are equal to .34 times the average monthly storage volume for the Southeast, .60 for the South Central, .97 for the Southwest, 1.53 for the West, and 1.96 for the Ports. Total shipments are equal to .55 times the average monthly storage volume for the Southeast, .77 for the South Central, 1.34 for the Southwest, 1.61 for the West, and 1.72 for the Ports.

Note: See table 1 for delineation of areas.

Table 29.--Cotton storage capacity of warehouses and compresses, by out-of-pocket handling and storage costs based on volumes equivalent to 85-percent occupancy, fiscal 1964-65

Cost per bale (dollars) <u>1/</u>	Storage capacity of plants in--					United States
	South-east	South Central	South-west	West		
	----- Bales -----					
Less than--						
3.00.....	83,945	942,210	1,866,798	--		2,892,953
3.20.....	83,945	1,814,533	2,456,360	289,520		4,644,358
3.40.....	83,945	2,799,401	2,723,655	654,710		6,261,711
3.60.....	216,838	3,451,269	2,778,735	654,710		7,101,552
3.80.....	532,637	3,793,801	3,275,135	765,852		8,367,425
4.00.....	1,386,188	4,953,088	3,275,135	765,852		10,380,263
4.20.....	1,804,148	6,328,953	4,500,460	765,852		13,399,413
4.40.....	2,260,723	6,328,953	4,968,355	765,852		14,323,883
4.60.....	2,468,450	7,130,332	5,676,533	1,065,378		16,340,693
4.80.....	3,142,808	8,007,700	6,062,004	1,065,378		18,277,890
5.00.....	3,562,304	8,298,212	6,062,004	1,291,128		19,213,648
5.20.....	3,939,117	8,352,068	6,062,004	1,291,128		19,644,317
5.40.....	4,163,457	8,379,608	6,277,539	1,416,678		20,237,282
5.60.....	4,470,345	8,401,739	6,760,108	1,416,678		21,048,870
5.80.....	4,998,047	8,401,739	6,760,108	1,416,678		21,576,572
6.00.....	5,243,615	8,401,739	6,760,108	1,416,678		21,822,140
6.20.....	5,432,115	8,401,739	7,021,928	1,517,118		22,372,900
6.40.....	5,540,012	8,468,814	7,021,928	1,517,118		22,547,872
6.60.....	5,756,282	8,468,814	7,113,728	1,628,260		22,967,084
6.80.....	6,048,811	8,468,814	7,113,728	1,628,260		23,259,613
7.00.....	6,048,811	8,468,814	7,459,463	1,628,260		23,605,348
7.20.....	6,048,811	8,468,814	7,459,463	1,628,260		23,605,348
7.40.....	6,048,811	8,468,814	7,459,463	1,628,260		23,605,348
7.60.....	6,186,211	8,468,814	7,459,463	1,628,260		23,742,748
7.80.....	6,186,211	8,468,814	7,735,928	1,628,260		24,019,213
8.00.....	6,186,211	8,468,814	7,735,928	1,628,260		24,019,213
All plants..	6,367,171	8,687,558	7,826,008	1,818,037		24,698,774

1/ See footnote, table 28, for ratio of receipts and shipments to average monthly storage volume.

Note: See table 1 for delineation of areas. The port facilities of Louisiana are combined with the South Central, and the Texas port facilities are combined with the Southwest.

APPENDIX: METHODOLOGY

Sampling

The selection of plants to be studied was made independently for warehouse and compress storage facilities. Plants were stratified as to types, geographic areas, and capacity groups, and a random sample was drawn from each stratum.

A total of 133 plants was selected for study from a universe of approximately 1,200 plants approved by CCC. This sample represented approximately 30 percent of the approved capacity of the universe.

Warehouses were sampled at 5 capacity group levels and compresses at 3 size groups. Each capacity group was sampled at a rate expected to yield a representative sample. The sampling rate of each size group was used to weight the results for areas and expand the sample plants to the universe. The sampling procedure was developed in consultation with the Statistical Reporting Service, U.S. Department of Agriculture (USDA).

Cost and other data were obtained from each plant by an economist or an auditor assigned to the Economic Research Service (ERS) from other USDA agencies. The cost data and related volumes for each service performed were summarized and tabulated by plant, size group, area, and for the United States, according to the plan outlined in the following pages.

Standardized Depreciation and Interest

In order to minimize the effects on costs of variations among plants in depreciation allowances and interest on investment, data were summarized using standardized rates as shown in the following rate schedule. These rates were applied to the acquisition cost of buildings and equipment. Interest allowance on capital investment of 6 percent for half the acquisition cost of buildings and equipment, plus cost of land, was computed for all plants.

STANDARD DEPRECIATION RATE SCHEDULE (Straight line method)

	<u>Percent</u>
<u>Buildings and improvements</u>	
Buildings (including sprinklers and foundations):	
Iron clad, wood frame.....	2.5
Brick, concrete, or steel.....	2.0
Wood.....	3.3
Compress equipment.....	3.0
Water tower and tanks.....	2.5
Railroad sidings.....	3.3
Roadways, pavement of grounds.....	5.0

	<u>Percent</u>
<u>Handling and automotive equipment</u>	
Clamp trucks:	
5,000# and less.....	14.3
6,000# and over.....	16.7
Tractors.....	6.7
Trailers, warehouse, and yard.....	6.7
Hand trucks.....	4.0
Trucks, road.....	14.3
Automobiles.....	20.0
Conveyors.....	14.3
<u>Other</u>	
Office furniture and equipment.....	10.0
Shop equipment.....	6.7
Air compressor.....	6.7
Scales.....	5.0
Fire equipment.....	5.0
Personnel carriers.....	10.0
Motorized sweepers.....	14.3

Definition of Services

Receiving--the unloading of bales arriving for storage, tagging, weighing, sampling as required, issuing of warehouse receipts, and movement of bales into a temporary storage block or to the press room.

Storage--moving bales into storage areas, stacking, locating, and the maintenance and custodial functions necessary during the period of storage.

Break-out--identifying bales ordered for shipment; removing and setting out from storage; and transporting to the shipping area, press room, or loading platform.

Shipping--segregating bales into shipping lots, checking, loading to car or truck, and rechecking (proof checking).

Functions involved in some services, particularly for break-out and shipping, differ within the industry and between ASCS and the industry. ASCS allows a charge for outhandling R/O cotton which covers both break-out and shipping. Some storage plants, especially in the West, make a charge variously termed "handling-shipping" or "outhandling" which is specified as covering both break-out and shipping. Plants in the Southeast generally make a separate charge for break-out (turn-out) and another for shipping (load-out). But in much of the rest of the Belt, most plants make only a shipping charge and consider break-out as a storage function. In late 1960, ASCS, in conference with representatives of the industry, accepted this latter definition for the purpose of a cost study. Results of the ASCS cotton storage cost study, first released in April 1961 and reworked by ERS as of February 1962, included break-out as a storage cost regardless of whether or not specific revenue was received by plants for break-out.

Method of Allocation

Allocation of cost items to services performed was according to the following plan:

<u>Cost item</u>	<u>Category</u>	<u>Basis for allocation</u>	
Personnel expense....	Executive.....	Revenue	
	Management.....	Proportion of direct labor hours for each service	
	Supervisory.....	Hours as recorded to specific service Residual hours same as management	
	Specialized salaried:		
	Engineers.....	Individual plant basis	
	Mechanics.....	Individual plant basis	
	Labor, crew handling....	Hours as recorded to specific services performed	
	Labor, noncrew		
	Watchmen.....	Space utilization	
	Cleanup & sweepers....	Space utilization	
	Maintenance.....	Space utilization	
	Mechanic helpers.....	Individual plant basis	
	Office clerical:		
Head clerk.....	Revenue		
Other clerks.....	On individual plant basis		
Materials handling equipment.....	Major equipment.....	Hours as recorded to specific services performed	
	Minor equipment.....	Individual plant basis	
Depreciation, ins., & taxes.....	Compress equipment.....	Direct to compression	
	Bldgs. & improvements...	Space utilization	
	Office & misc. equip....	Revenue	
Repairs & maintenance.....	Compress equipment.....	Direct to compression	
	Bldgs. & improvements...	Space utilization	
	Office & misc. equip....	Revenue	
Interest.....	Capital investment.....	Revenue	
	Working capital.....	Proportion of direct labor hours for each service	

Other costs..... Licenses & bonds..... Revenue

Utilities:

Fuel for compress..... Direct to compression
Other..... Revenue

Transportation expense.. Revenue
Home office..... Revenue
Warehouse supplies..... Direct to service
Office supplies..... Revenue
Other misc. costs..... Revenue

Estimates of Demand for Storage Space

The disappearance of cotton in 1966-67 was estimated at 15.4 million bales, including 5.8 million bales for export and 9.6 million bales for domestic consumption. Production for 1966-67 was estimated at 12.5 million bales. The carryover on August 1, 1966, was estimated at approximately 16.7 million bales. These projections were based on USDA estimates.

The seasonal movements in receipts and shipments and the carryover for each geographical area and for the United States were estimated on the basis of historical movements and distribution. Peak storage requirements for 1966-67 were calculated from these estimates. The peak storage requirement was estimated at approximately 5.67 million bales for the Southeast, 7.26 million bales for the South Central, 6.14 million bales for the Southwest, 1.49 million bales for the West, and 19.15 million bales for the United States. The peak requirements occur at different months among areas, resulting in a Beltwide peak of less than the sum of the areas.

Replacement Costs

Replacement costs as shown in this report are based on a standard type construction, that is, the typical type currently constructed. Across the Belt the iron clad, wood frame predominates, except in the Southeast where the all-steel buildings are more common.

An average cost per square foot of building space, including covered platform, was developed from cost records of newly built facilities across the Belt. The square foot cost was estimated at \$2.15 for warehouses and \$2.30 for compresses. These costs included the cost of buildings, water systems, spur tracks, outside black-topping or paving, and other improvements.

In developing the building and improvement costs for each plant, the estimated cost was applied to the number of square feet of floor space as existed in 1964-65. In addition, all other assets at individual plants except presses and the land were replaced at 105 percent of their acquisition cost. Replacement on the presses was estimated at \$115,000. An allowance equal to the original cost of land was allowed in estimating returns on investment.

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Replacement costs computed as outlined above were used to calculate depreciation and return to investment for individual plants. Uniform rates as shown in the standard depreciation rate schedule were used as a basis for estimating depreciation costs. Allocations of depreciation and return to investment were made according to the plan outlined in the method of allocation section.