

**THIRD  
BIENNIAL REPORT  
OF  
FLORIDA STATE  
MARKETING  
BUREAU**

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**Report of HON. W. A. McRAE, Commissioner  
of Agriculture, to Hon. Cary A. Hardee,  
Governor of Florida.**

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**Report of L. M. RHODES, Commissioner  
Florida State Marketing Bureau, to Hon.  
W. A. McRae, Commissioner of Agriculture.**

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**THE BUREAU STAFF**

**L. M. RHODES, Commissioner**

**Moses Folsom, Secretary**

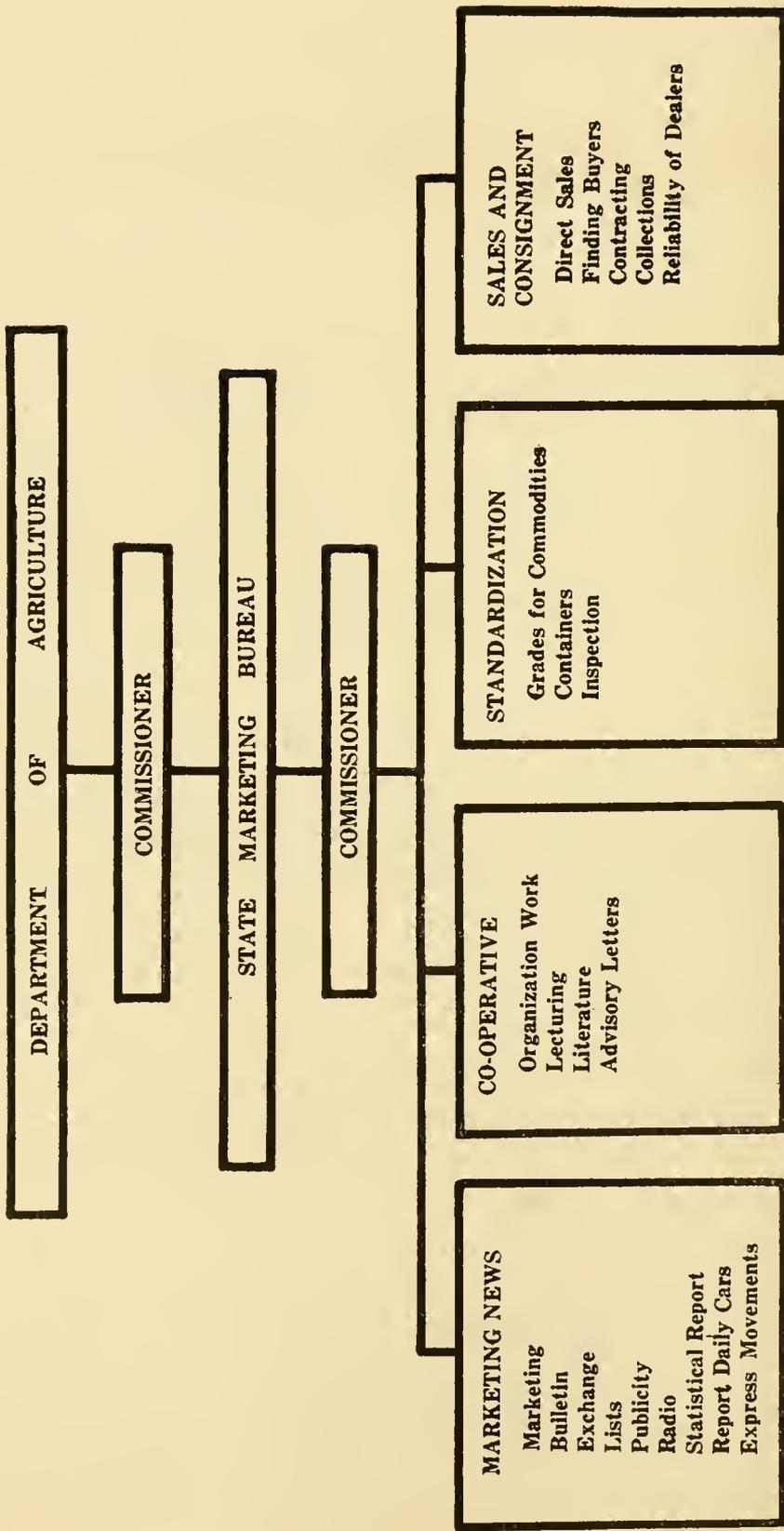
**Neill Rhodes, Market Agent**

**H. A. Maloney, Market Agent**

**Joe Somers, Multigrapher**

**Paul Koerber, Asst. Multigrapher**

**Marion E. Keane, Stenographer**



Organization Chart, Showing Different Functions of the State Marketing Bureau

# THIRD BIENNIAL REPORT

OF

## Florida State Marketing Bureau

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REPORT OF HON. W. A. McRAE

Commissioner of Agriculture

To HON. CARY A. HARDEE, Governor of Florida:

I beg to submit for your consideration the Third Biennial Report of the State Marketing Bureau:

The distribution of farm products is regarded by many statisticians, economists and statesmen, as the most important problem confronting the country. Undoubtedly it is one of the greatest questions before Florida. Roger W. Babson, speaking to a meeting of business men at the Jacksonville Chamber of Commerce, February 3rd, said, with a great deal of emphasis: "Florida's greatest problem is distribution." The progressive colleges and governments of the world recognize the far reaching importance of better distribution and marketing. Our Federal government and nearly forty states in the Union have enacted laws looking toward better and more economic systems of marketing. Market bureaus have been established in more than three-fourths of the States. Since the greatest thinkers, scholars and writers of the world are agreed that marketing conditions and systems should be improved, I will not elaborate on that phase of the question, but will briefly outline some facts about the work and achievements of the Florida State Marketing Bureau.

When the Legislature of 1917, created the Marketing Bureau, I thought then, and I think now, that it was one of the most important departments of the State, and I expected a great work to be done by the Bureau, and I say unhesitatingly that under the untiring, faithful and efficient leadership of Commissioner L. M. Rhodes, the Bureau has grown, developed and rendered services far beyond my expectations. When we consider the numerous difficulties, prejudices, suspicions and perplexities, under which a new marketing department must operate, and the limited office force and funds available, also the intricate and complex problems involved in marketing Florida products, as well as the various duties required of the Bureau, its achievements have been most gratifying. I have gone into the files and records of the Bureau and have kept in close touch with it during its entire operations, and can testify that the Commissioner's report is conservative and accurate. I am convinced that the entire volume of business transacted by the Bureau since July 1st, 1917, has been more than \$40,000,000.

I find that sales have been made through the For Sale, Want and Exchange Bulletin as far north as New England and as far west as the Pacific Coast. In fact, some of the more than \$5,000,000 worth of produce and articles advertised in this publication are sold in nearly all the States. This bulletin goes free to a mailing list of nearly 15,000 Florida farmers and the list is rapidly increasing. It is available for them to advertise products for exchange, sale or for things wanted. Hundreds of letters of appreciation and commendation in the files of the Bureau show how much this Bulletin is appreciated by the farmers and business men. Many of them think it is worth far more than the total amount appropriated for the Bureau.

The selling and buying service of the Bureau has covered practically everything produced in the State. Hundreds of thousands of deals have been put through, market connections have been made, business relations established, buyers and sellers brought together and many difficult sales have been consummated. This service has been given on

all amounts from a parcel post package to a train or boat load. In many ways the Bureau has rendered an invaluable service.

### Putting Florida Production Before the World

Counting all the different ways the Bureau has advertised Florida, it would be hard to tell the number of people that have been reached, or the value of the publicity that has been given. More than 50,000 booklets showing the growth, developments, resources, production, etc., of Florida have gone out annually. The same data has been published in the press all over the country. The demand for this literature has come from all over the civilized world, and has been furnished by letters, circulars, pamphlets, bulletins and through the newspapers.

There is scarcely a day in the year that the Bureau does not make reports as to the reliability, rating and reputation of produce dealers and commission houses. One of the greatest features of the Bureau is market reporting. The Bureau gathers market information from Washington and the great consuming centers, and distributes this news by telegraph and telephone, through the press and by letters, and sometimes it is furnished to radio stations. This keeps the shippers of the State in touch with conditions and makes market information available, to those who are interested.

The Bureau adjusts and collects accounts for Florida shippers. Checks go out of the office daily representing collections or adjustments made, and the total amount of collections made in the last six years would far exceed the total sum of money appropriated for the Bureau since it was established.

One of the objects of the Marketing Bureau is to encourage and promote co-operation among farmers. This requires a great deal of writing and speaking. The Market Commissioner is thoroughly equipped for this work. He is one of the closest students, deepest thinkers, impressive writers and convincing speakers, not only in Florida, but the entire country, on this subject. He has addressed some 500 public meetings since he was appointed in 1917, and

has furnished much literature and written many articles on sane and systematic co-operative effort.

The Bureau is maintained by a fund which is paid by the farmers. Of course, the manufacturer pays it, but it is added to the cost price of fertilizer, and if the farmer did not buy the fertilizer, the manufacturer would not pay the tax.

The Bureau's appropriation is not a tax on the general public. The farmer is entitled to this service, and there are thousands in the State who avail themselves of it and appreciate it.

There are eight distinct major branches of service conducted by the Bureau, a diagram of which is shown on another page, any one of which is worth more to the State than the entire cost of the Bureau, besides hundreds of minor duties and services are performed by the seven people working in the Bureau, which space forbids me to mention.

The motto of the Bureau is "Service." The employees do not watch the clock; they often work all night in order to finish a task on schedule. This very essential, and in fact indispensable department, deserves the co-operation, assistance and good will of the entire State. I am gratified to say that after looking through the files, talking with farmers and business men in practically every county in Florida, that I believe 99 per cent of the people of the State appreciate the magnificent services rendered by this department and want to see it fully developed, amply financed and loyally supported.

Respectfully submitted,

W. A. McRAE,  
Commissioner of Agriculture.

## REPORT OF L. M. RHODES

Commissioner

Florida State Marketing Bureau

To HON. W. A. McRAE, Commissioner of Agriculture of Florida:

I beg to submit for your consideration the Third Biennial Report of the State Marketing Bureau:

Since the first family began to grow into a community, marketing the products of the soil has affected the life and requirements of all mankind, and the volume of products necessary to feed and clothe the ever increasing population of the world has grown from a small quantity to 720,000,000 tons of food annually, or 36,000,000 carloads each year. If all this food product was loaded on freight cars, it would require every mile of railroad track in the United States for them to stand on, and if all the material used to manufacture clothing alone, was loaded on one continuous freight train it would be long enough to reach around the earth.

The greater part of this enormous quantity of necessary products is sold and bought before being consumed. When we consider this colossal volume of business including the domestic trade of the countries of the world in other articles of merchandise, and then remember that the nations of the earth carry on an export and import trade amounting to more than 100 billion dollars per annum, realizing that many of these articles are bought and sold a dozen or more times between the producer and consumer, and that the price at point of origin and at destination gets wider and wider apart, until there is often a very wide margin between the original seller and ultimate consumer, we can get some idea of the gigantic marketing problem that confronts us. In fact, the distribution of farm products has many perplexing, intricate, varied and difficult angles.

The Florida State Marketing Bureau has endeavored to help solve some of the problems and eliminate some of the difficulties in getting Florida products to market by performing the following duties:

### For Sale, Want and Exchange Bulletin

The Bureau publishes semi-monthly a For Sale, Want and Exchange Bulletin; over 6,000 people advertise in the Bulletin during the year; we send out 330,000 bulletins annually; there are 23 issues, averaging 10 pages each; there are 14,300 names on the mailing list and the number is increasing daily. The value of articles advertised average approximately \$24,000 a page, or \$240,000 an issue, or \$5,520,000 per annum. The best estimate we can get indicates that 75 per cent of the articles advertised change hands, or in all, more than \$4,000,000 worth of products of all kinds are bought, sold or exchanged through this publication. As much of this advertising is farm products at so much per pound, gallon or crate, causing continued trading and building up new business relations, this estimate is probably far too low. If the farmers paid a commission of only 5 per cent on the business done through the bulletin annually, it would cost them \$200,000 and if they paid for this advertising at a reasonable rate, it would cost them more than the entire appropriation for the Market Bureau.

### Selling and Buying Service

The sales and purchases of products directly and indirectly arranged, influenced, or touched in some way by the Bureau will amount to approximately \$12,000,000 per annum. We do not claim to know how much this service is worth, but a charge of one per cent would amount to \$120,000 a year, or more than four times the cost of the Bureau. Many of the sales made by the Bureau have been hard bargains, when the market was poor, demand weak, and often the quality of the products bad, grade low and no sales could be secured through any other channel.

The Bureau has found sales for more than 50 different varieties of products in carlots, of more than 100 different varieties in less than carloads, and has secured prices, given quotations and arranged purchases for farmers, and others, on more than 170 different kinds of articles and supplies.

There are hundreds of shippers selling Florida products regularly to connections made for them by the Bureau.

There is no way of accurately estimating the value and number of these sales, but the volume is great.

Farm products cannot be manufactured according to definite specifications, neither can production be regulated in accordance with a probable demand, to the same extent as factory products. Quantity and quality are largely dependent on weather conditions. Many of our Florida products are perishable and must be moved in a short time. They are subject to hazards of transportation and market, unknown to machine made products, such as over-heating, freezing, delay and deterioration.

There are no easy hours for the men who market perishables. We doubt if there is a produce house or dealer in America who has sold \$100,000 worth of farm products that has not been criticised by the seller or buyer for making unsatisfactory deals. It is to be expected, it is part of the game, and we must take it when it comes. We cannot expect to be among those so fortunate as to escape the attacks of interested parties or the assaults made by those blinded by ignorance or prejudice. It comes to all who accept official positions. In marketing, we have to deal with the most sensitive part of human nature, the one affecting finances, and we have to operate between the two extremes in the margins of marketing, the seller wanting and expecting the highest price, and the buyer wanting to buy at the lowest price. There is no more difficult task in all the realm of American Commerce and Trade than selling farm products at a price that will justify the producer in continuing to produce, at the same time, get them to the receiver so that he can handle at a profit. And yet, that is the task before us. We have not entirely escaped criticism, but our files will show that for every letter criticizing or complaining, we have hundreds commending and praising our services.

One of the duties required by the marketing law is that the Market Bureau promote cooperation among farmers and every possible assistance along these lines has been rendered. Literature, setting forth the correct principles of co-operation has been sent at each request. The Commissioner, too, has made over 100 speeches annually to

farmers' meetings, commercial clubs, Chambers of Commerce, etc., discussing the fundamental principles of better marketing. The demand for this service has been so constant that if he had responded to every call he would have been away from the office practically every day of the year.

### **Reports as to Shipments Out of the State**

The law also requires that reports must be compiled as to the amount of products shipped out of the State. These reports have been sent out in pamphlet form directly to more than 50,000 persons and in letters to a very large number. This information has gone to all parts of the country, and some of our reports have been published in full in the Congressional Record.

### **Advertising**

Information about Florida has been sent out to, and letters of inquiry answered from, all the States and 25 or more foreign countries, from India to Argentina, and from Australia to Scotland. Some 2,000 articles annually have been published in the papers in regard to Florida soil, products, markets, etc. The value of this official advertising given the State through this medium would be hard to estimate.

### **Information as to Reliability of Produce Dealers**

The Bureau has furnished information as to the rating, reliability, financial standing, and reputation of produce dealers and commission men, and thereby protected many farmers against fly-by-nights and questionable buyers.

### **Market Reporting**

Market reports have been sent out by telegraph and telephone, through the daily press, and by letters advising as to the movement of crops, prices, etc. This service has been available to the farmers of the entire State. Many communities have associations or organizations so that one man receives market reports for the community and in that way one telegram, letter or telephone message will often advise hundreds of people, and direct the movement of

dozens of carloads. Reports from large market centers are received daily and sent to all parts of the State.

The Commissioner of The Florida State Marketing Bureau made a trip to Washington and started a movement to have market news sent to the nine Southeastern States, including Florida, over leased wire. So much demand was created for this service that bills have been introduced in both Houses of Congress and our Florida delegation and other Southern members are working zealously to secure the necessary appropriation.

### **Collections**

The Market Bureau is often called upon by shippers to adjust accounts and arbitrate controversies between shippers and receivers, and our annual collections of such accounts will amount to \$50,000 a year, or twice the amount of money appropriated for the maintenance of the Bureau.

### **How the Bureau is Maintained**

The Bureau is maintained by a fund derived from the sale of fertilizer stamps. Indirectly the farmers pay this fertilizer tax and they have been paying it since 1901. The Bureau was established in 1917 and during the six years of its service, we think a fair investigation would show that it has been worth at least a million dollars a year in cash to the State, to say nothing of its educational and advertising value. With the progress and success of the last two years, we have encountered many difficulties and may have made some mistakes, but with conditions as they were and the facilities available, we have done our best. We have tried to perform every duty with justice and fairness to everyone, and we appreciate your constant and loyal support and co-operation through all our efforts. We have not accomplished all that we wanted to, but as builders, there must be time for patient planning, careful development and gradual growth before the harvest field yellows with the ripened results. Marketing is the last and perhaps most important half of agriculture. The Market Bureau is doing its utmost to help perfect and evolutionize this phase of farm life.

## FINANCIAL STATEMENT

### Expenditures of State Marketing Bureau

July 1st, 1921, to December 31st, 1921

(Last Biennial Report brought down to March 5th, 1921.  
 Old law repealed and new law approved May 6th, 1921.  
 All funds allowed under old law dropped May 6th, 1921.  
 New appropriation available May 6th, 1921.)

Brought forward from appropriation available May 6 to July 1, 1921 .....	\$ 1,783.35	
Appropriation, July 1, 1921 to De- cember 31, 1921 .....	12,500.00	
	<hr/>	
Actual amount allotted for above period .....		\$14,283.35
Salaries .....	6,549.96	
Traveling expense (including travel- ing expense of Commissioner, Market Agents, Auto* upkeep and supplies) .....	2,690.73	
Stationery and office expense (includ- ing office furniture, typewriters, ink, stationery, extra labor in- serting bulletin, ice, water, pencils, etc.) .....	328.03	
Telephone and telegraph .....	590.20	
Postage, (for office use and bulletin)...	200.94	
Addressograph (and supplies for same) .....	1,007.81	
Rent .....	531.00	
Multigraph (and supplies for same)...	2,851.61	
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Expenditures July 1, to December 31, 1921 .....	\$14,750.28	
Overdrawn and carried to 1922 appro- priation .....	466.93	
	<hr/>	
		\$14,283.35
*Exchange purchase price .....	\$1,200.00	
Auto upkeep .....	524.68	
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	\$1,724.68	

## FINANCIAL STATEMENT

### Expenditures of State Marketing Bureau

January 1st, 1922, to December 31st, 1922

Appropriation, January 1st, 1922 to December 31st, 1922 .....	\$25,000.00	
Less overdrawn account of 1921 .....	466.93	
Balance of 1922 appropriation .....		\$24,533.07
Salaries .....	13,961.50	
Traveling expense (including travel- ing expense of Commissioner, Market Agents, Auto upkeep and supplies) .....	1,961.11	
Stationery and office expense (includ- ing office furniture, typewriters, ink, stationery, extra labor in- serting bulletins, ice, water, pen- cils, etc.) .....	1,294.58	
Telephone and telegraph .....	2,010.48	
Postage (for office and bulletin) .....	693.59	
Addressograph (and supplies for same) .....	275.76	
Rent .....	1,221.00	
Multigraph (and supplies for same)...	3,650.99	
	\$25,069.01	
Less December 1922 bills paid in Jan- uary 1923 .....	535.94	
		\$24,533.07