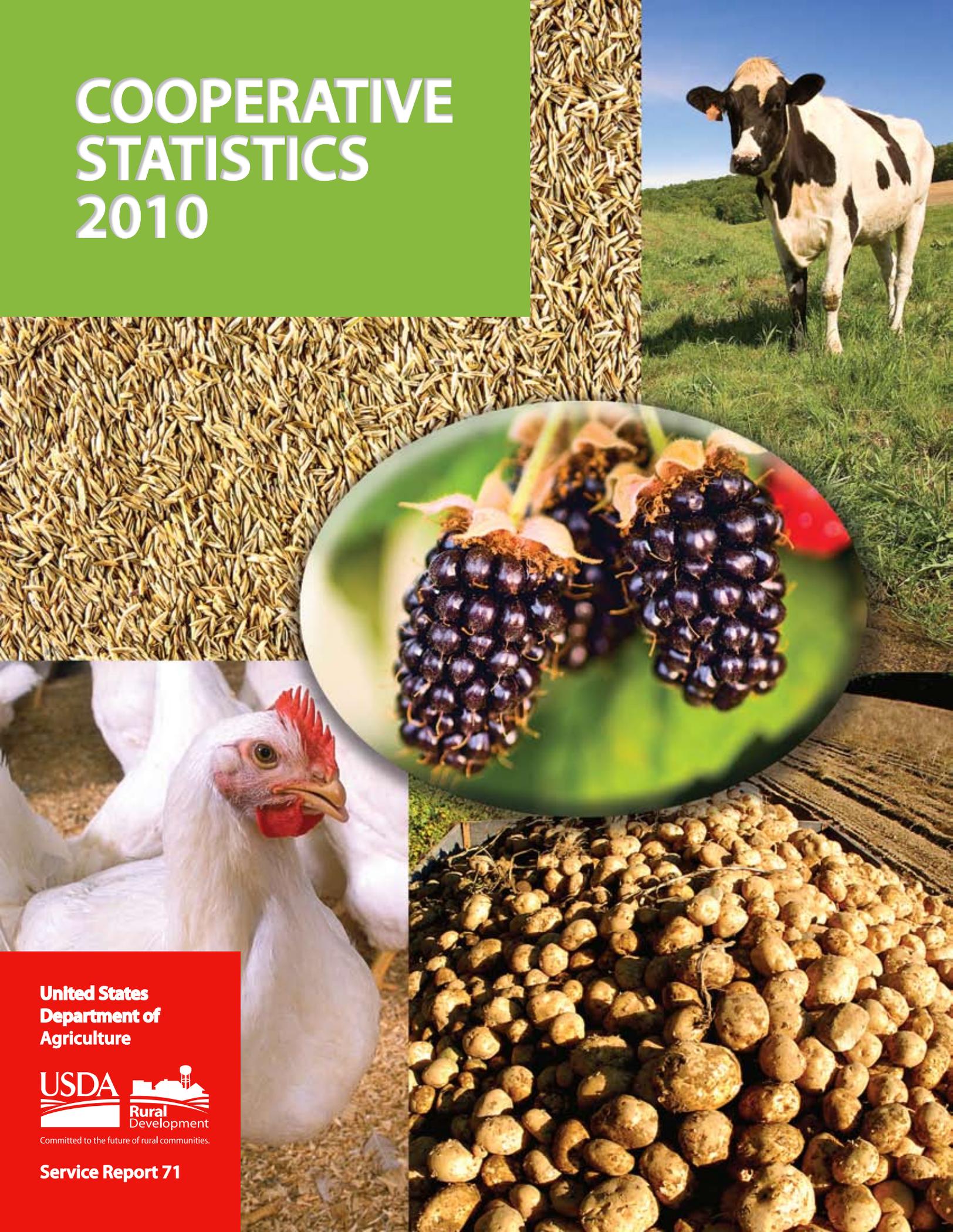


COOPERATIVE STATISTICS 2010



United States
Department of
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Service Report 71

ABSTRACT

A survey of 2,310 U.S. farmer, rancher, and fishery cooperatives ending their business year during calendar year 2010 showed a net business volume of \$146.1 billion, with a net income of \$4.0 billion. These cooperatives had assets totaling \$65 billion, \$39 billion of liabilities, and \$26 billion in equity. Cooperatives were a major employer in rural areas, with 129,000 full-time workers and 54,000 part-time or seasonal employees. Business volume by commodity is reported for all cooperatives.

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

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

COOPERATIVE STATISTICS, 2010

Jacqueline E. Penn and E. Eldon Eversull
Rural Development
U.S. Department of Agriculture
STOP 3256
1400 Independence Ave., S.W.
Washington, DC 20250 3256

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PREFACE

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

This report provides aggregate information on the number, membership, business volume, net income, basic balance sheet items, and full-time and part-time and seasonal employees of cooperatives for business years ending in calendar year 2010. Cooperatives are classified by principal product marketed and major function. Both gross (includes inter-cooperative business) and net (excludes inter-cooperative business) dollar volumes are reported.

Statistics for 2010 were compiled on a State and national basis. The information was collected from individual farmer, rancher, and fishery cooperatives by a mail survey of all organizations identified by

USDA Rural Development's Cooperative Programs (CP) as farmer, rancher, or fishery cooperatives. Information was requested for the cooperatives' 2010 business year.

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

Statistics for all cooperatives were derived by estimating data for non-respondents and combining this information with respondent data. Data from respondents and other sources accounted for 84 percent of the total gross sales of farmer, rancher, and fishery cooperatives in 2010.

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

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HIGHLIGHTS

There are 2,310 U.S. farmer, rancher, and fishery cooperatives, according to the 2010 survey of marketing, supply, and service cooperatives by USDA Rural Development's Cooperative Programs (CP). This was the second highest sales and income year for these cooperatives, trailing only the records set in 2008. While sales and income were the second highest, there was little change from levels achieved in 2009. The year saw significantly higher prices for dairy products, cotton, and livestock and falling prices for food grains and oilseeds. Farm fuel prices were up 25 percent while most other farm supplies had price decreases.

- Total gross business volume (includes inter-cooperative business) handled by cooperatives was \$170.1 billion; net business (excludes inter-cooperative business) was \$146.1 billion.
- Total net income was \$4.0 billion, which includes inter-cooperative dividends and refunds of \$690.0 million.
- Cooperative memberships were 2.2 million, up 4,000 from 2009.
- Cooperatives employed 129,000 full-time and 54,000 part-time and seasonal employees. Full-time employee numbers were up 7,100 from 2009, while part-time and seasonal employee numbers were down by 3,300.
- Gross value of products marketed by cooperatives was \$101 billion, with a net value (after eliminating duplication from inter-cooperative business) of \$94 billion. Both gross and net marketings were virtually unchanged from last year. Grain and oilseed marketings were down \$3 billion while dairy product marketings increased \$2 billion.
- Gross value of supplies handled by cooperatives was \$64 billion, with a net value of \$47 billion. Gross supply sales were up \$1 billion primarily due to increasing energy prices, but fertilizer sales fell \$1 billion.
- Receipts for services related to marketing farm products and handling supplies, plus other income, totaled \$4.0 billion.
- Cooperatives had \$65 billion in combined assets, second highest to the record \$70 billion in 2008. Total assets were \$5 billion more than 2009, with most of the increase in current assets. Net assets, after eliminating inter-cooperative investments, were \$61 billion. Inter-cooperative investments included those in CoBank.
- Total liabilities increased \$2 billion to \$39 billion.
- Net worth, or member and patron equity, was \$26 billion. Member and patron equity financed 40 percent of total assets, up from 39 percent in 2009.

Table A—Comparison of 2010 and 2009 Cooperative Statistics

	2010	2009	Change
Number of cooperatives	2,310	2,390	-80
Memberships (millions)	2.2	2.2	0.00
Gross business volume (billion \$)	170.1	169.3	0.74
Net business volume (billion \$)	146.1	146.9	-0.80
Net income before taxes (billion \$)	4.3	4.1	0.16
Total assets (billion \$)	65.0	60.8	4.22
Net worth (billion \$)	25.9	23.8	2.11
Full-time employees (thousand)	129.3	122.2	7.10
Part-time and seasonal employees (thousand)	54.3	57.6	-3.29

Cooperative Statistics, 2010

Jacqueline E. Penn and E. Eldon Eversull, Rural Development

I. COOPERATIVE DEFINITION

USDA Rural Development's Cooperative Programs (CP) considers four major criteria in identifying farmer, rancher, and fishery cooperatives:

(1) Membership is limited to persons producing agricultural and aquacultural products and to associations of such producers;

(2) Cooperative members are limited to one vote regardless of the amount of stock or membership capital owned; or the cooperative does not pay dividends on stock or membership capital in excess of 8 percent a year or the legal rate in the State, whichever is higher;

(3) Business conducted with non-members may not exceed the value of business conducted with members;

(4) The cooperative operates for the mutual interest of members by providing member benefits on the basis of patronage.

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

Classification of Cooperatives

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

Marketing cooperatives derive most of their total dollar volume from the sale of members' products. These cooperatives are further classified into 1 of 13 commodities or commodity groups, depending upon which accounts for most of its business volume. CP may reclassify a cooperative into a different com-

modity category if its primary business volume changes significantly.

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

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

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

Prior year data has been revised in this report, something that has not occurred in the past. Some revisions corrected errors, others are due to new information. For instance, 64 cooperatives that had not responded in 2009 included with their surveys annual reports for 2010 that also had 2009 data; and in 2009, 74 non-respondent cooperatives included annual reports with 2008 information.

In 2010, cotton-ginning cooperatives were reclassified as marketing cooperatives instead of service cooperatives because many had marketing sales that exceeded service income and almost all had other marketings or supply sales. Artificial-insemination cooperatives were also reclassified from service cooperatives to supply cooperatives as their supply sales generally exceeded their service income. Both of these cooperatives were also moved to their new classifications in prior year data.

Organizational Membership Structures

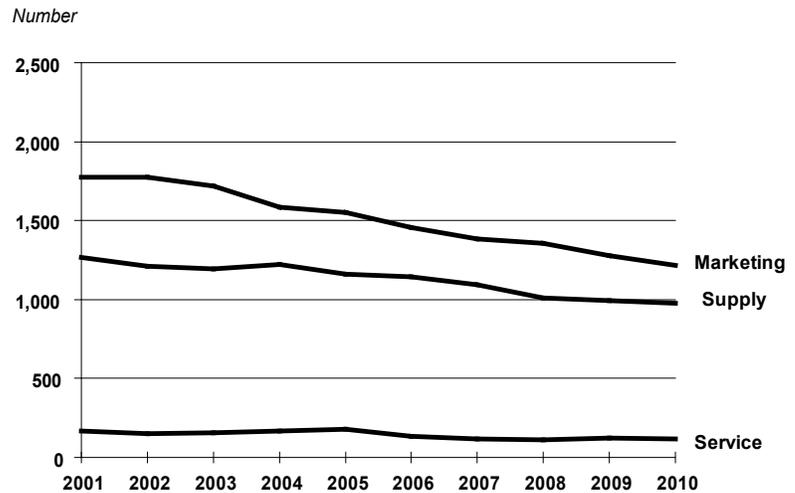
CP further classifies marketing, supply, and service cooperatives into three organizational structures according to membership. The membership structures used are centralized, federated, and mixed.

Centralized

Of the 2,310 cooperatives in 2010, 2,252 were centralized organizations, mostly locals with individual farmer, rancher, or fishery members. Centralized cooperatives usually serve a local area or community, county, or several counties. Most usually perform a limited number of initial marketing functions. Most supply sales are at the retail level. A few centralized cooperatives, principally regionals, operate over multi-state areas and provide more vertically integrated services, such as processing products or manufacturing feed.

Bargaining associations also have centralized organizational structures. They derive all or most of their business volume from negotiating with distributors, processors, and other buyers and sellers over price, quantity, grade, terms of sale, and other factors involved in marketing products. Only a few bargain to purchase supplies. While the primary function of such an association is to bring buyers and sellers together to contract for the sale of members' prod-

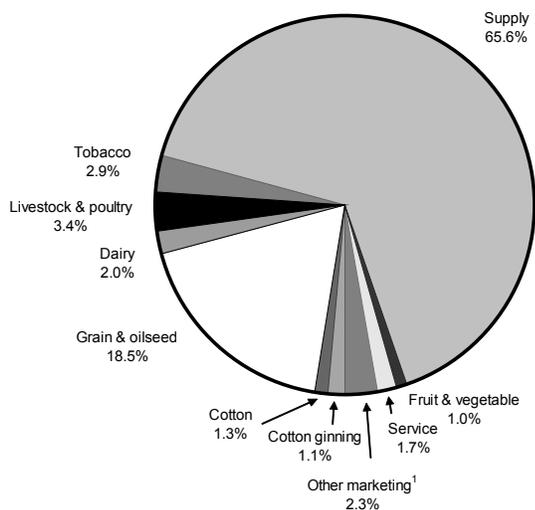
Figure 1—Cooperatives in the United States, 2001-2010



ucts, many bargaining associations now perform additional functions.

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

Figure 2—Distribution of Memberships, by Type of Cooperative, 2010



Percentages are based on 2.2 million total memberships.

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

Federated

The 38 federated cooperatives—two or more member associations organized to market products, purchase production supplies, or perform bargaining functions—often operate at points quite distant from their headquarters. Members are usually local cooperatives, although some are interregional associations with regional cooperative members.

Mixed

The 20 mixed cooperatives have individual farmer, rancher, or fishery members and autonomous cooperative members, a combination of centralized and federated structures. They serve large geographic areas with members in many States and provide a variety of integrated services.

Table 1—Number of cooperatives and memberships, by major business activity, 2010

Major business activity	Cooperatives <i>Number</i>	Memberships <i>Thousands</i>
Bean and pea, dry edible	5	1.8
Cotton	12	28.2
Cotton-ginning	157	25.5
Dairy	138	44.2
Fish	37	5.4
Fruit and vegetable	138	22.2
Grain and oilseed ¹	519	414.2
Livestock	59	75.4
Nut	17	15.2
Poultry ²	10	0.5
Rice	12	11.6
Sugar ³	27	9.4
Tobacco	8	65.0
Wool and mohair	54	9.6
Other marketing ⁴	25	6.4
Total marketing	1,218	734.5
Artificial-insemination	13	59.4
Total supply	975	1,470.7
Other services ⁵	94	37.0
Rice-driers	4	0.2
Storage	6	0.1
Transportation	13	0.4
Total Service	117	37.8
Total	2,310	2,242.9

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

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

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

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

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

II. 2010 STATISTICS

Cooperatives' total net business volume was \$146.1 billion in 2010, while net income was \$4.0 billion. This was the second highest income and third highest net sales for these cooperatives, with

2008 the highest for both and 2009 the second highest for net sales. Cotton, dairy, and livestock prices had large increases, as did fuel, but most farm supplies had lower prices.

In 2010, agricultural cooperatives had 2.2 million members, with \$65 billion in assets and \$26 billion in equity. Cooperatives remained a major employer in rural areas, using 129,000 full-time workers.

Number of Cooperatives

The 2010 survey counted 2,310 marketing, supply, and service¹ cooperatives, compared with 2,390 in 2008. Of the 2,310 cooperatives, 1,218 primarily marketed products, 975 primarily handled production supplies, and 117 provided services related to marketing or purchasing activities (Table 1, Appendix Figure 1).

The proportion of marketing, supply, and service cooperatives to the total number of cooperatives remained virtually unchanged from 2009. Marketing cooperatives comprise about 53 percent of all cooperatives; supply, 42 percent; and service, 5 percent of the total (Figure 1 and Appendix Table 1).

There was a net decrease of 80 associations (3 percent) from 2009 to 2010, largely reflecting a continuing trend involving merger, acquisition, or dissolution. The largest decrease was 36 grain and oilseed cooperatives, while supply lost 17, and service declined by 4.

Usually cooperatives are added to the list following news items or press releases from the cooperative, but that is not an easy process and probably leads to under-counting. Most deletions from the list occur when two or more cooperatives merge or combine their operations. It is much easier to drop a cooperative from the list than to add one, because undelivered mail is usually returned. If a new address is not found, the cooperative is dropped. Some cooperatives had been deleted earlier, but were added back when it was found that they were still in operation.

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

Table 2—Number of cooperatives, by major function and State, 2010

Function	Marketing	Supply & service	Total
<i>State</i>		<i>Number</i>	
Alabama	9	42	51
Arizona	9	0	9
Arkansas	11	26	37
California	81	39	120
Colorado	10	16	26
Florida	21	12	33
Georgia	5	7	12
Hawaii	8	8	16
Idaho	17	10	27
Illinois	74	45	119
Indiana	16	19	35
Iowa	66	36	102
Kansas	66	26	92
Kentucky	7	29	36
Louisiana	12	23	35
Maryland	4	11	15
Massachusetts	3	5	8
Michigan	24	22	46
Minnesota	101	105	206
Mississippi	22	34	56
Missouri	20	40	60
Montana	18	28	46
Nebraska	37	22	59
New York	43	12	55
North Carolina	8	5	13
North Dakota	78	84	162
Ohio	28	15	43
Oklahoma	33	23	56
Oregon	18	14	32
Pennsylvania	23	14	37
South Dakota	38	37	75
Tennessee	6	60	66
Texas	144	45	189
Utah	5	7	12
Virginia	13	40	53
Washington	33	27	60
West Virginia	13	10	23
Wisconsin	39	75	114
Wyoming	6	5	11
Other States ¹	49	14	63
United States	1,218	1,092	2,310

¹ Includes States with fewer than three cooperatives for any function. States with at least three cooperatives were: Alaska, 5; Connecticut, 5; Delaware, 3; Maine, 22; Maryland, 15; New Jersey, 11; South Carolina, 3; and Vermont, 3.

Cooperative numbers by marketing, supply, and service functions by State are shown in Table 2. Texas had the most marketing cooperatives with 144, while Minnesota had 101. Minnesota had the most supply and service cooperatives with 105, followed by North Dakota with 84.

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

Grain and oilseed and supply cooperatives operated over 5,368 branches: 2,013 and 3,355, respectively. Both grain and oilseed and supply cooperatives averaged about 3.5 branches per cooperative.

Memberships

Memberships in marketing, supply, and service cooperatives totaled an estimated 2.2 million in 2010, up 4,000 from 2009 (Table 3). This is the first membership increase since 2004. By major business activity, 66 percent and 19 percent were memberships of supply and grain and oilseed cooperatives, respectively (Appendix Table 2, Figure 2). Dairy cooperative memberships were only 2 percent of the total, but accounted for 19 percent, or \$31 billion, of cooperatives' net business volume in 2010.

Memberships in cooperatives dropped from 3.0 million in 2001 to 2.2 million in 2010 (Figure 3). The long term decline largely reflects the decreasing number of farms, farmers, and ranchers in the United States (Appendix Figure 2). Many farmers and ranchers are members of more than one cooperative, and each membership is counted. Consequently, the number of memberships has exceeded the number of farms, but these numbers appear to be converging. Duplication in membership cannot be eliminated with current reporting methods.

Member classification depends on the type of cooperative used and may not be related to the member's product(s) marketed or supplies purchased. For example, a member may market only one of the products handled by the cooperative; another may use a cooperative classified in the marketing group

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³

State	Head- quartered in State	Member- ships	Business volume Gross ⁴	Net ⁵	State	Head- quartered in State	Member- ships	Business volume Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
BEAN AND PEA, DRY EDIBLE					FISH				
United States	5	1.8	163.26	160.94	Maine	15	0.6	0.90	0.90
					Other States	22	4.8	224.27	224.27
					United States	37	5.4	225.17	225.17
COTTON⁶					FRUIT AND VEGETABLE				
Texas	4	13.6	798.22	786.08	Arizona	4	0.8	83.73	44.35
Other States	8	14.7	1,174.86	1,170.68	California	34	11.3	2,750.51	2,018.13
United States	12	28.2	1,973.08	1,956.77	Florida	12	0.5	781.82	229.81
COTTON GINNING⁶					Hawaii	4	0.1	7.85	7.85
Alabama	3	0.1	2.91	2.91	Michigan	12	0.8	789.13	729.62
Arizona	4	0.2	14.85	14.85	Minnesota	3	0.1	0.54	0.54
Arkansas	3	1.8	34.71	16.91	New Jersey	4	0.3	190.16	108.90
California	15	0.6	57.90	42.21	New York	9	1.0	70.77	70.48
Louisiana	4	0.3	15.68	8.05	Oregon	10	0.8	488.98	423.76
Mississippi	12	0.3	42.97	41.00	Pennsylvania	3	0.3	435.37	435.37
Oklahoma	10	4.4	10.62	10.62	Texas	4	0.2	89.07	77.18
Texas	101	17.5	203.82	187.59	Washington	10	2.4	808.69	789.99
Other States	5	0.4	30.25	19.21	Other States	29	3.2	984.47	415.43
United States	157	25.5	413.72	343.36	Foreign ⁷	0	0.2	241.50	97.96
					United States	138	21.9	7,722.59	5,449.37
DAIRY					GRAIN AND OILSEED⁸				
California	4	1.4	4,652.62	4,574.77	Colorado	7	5.3	274.05	274.05
Idaho	3	0.3	350.68	350.68	Idaho	3	1.8	77.28	77.28
Illinois	3	1.6	1,446.50	1,340.57	Illinois	69	48.7	4,091.40	4,091.40
Iowa	4	2.1	1,345.11	1,165.14	Indiana	12	4.3	642.12	642.12
Minnesota	25	6.6	3,130.16	2,836.56	Iowa	57	63.2	6,692.70	6,620.10
New Mexico	4	0.1	515.55	479.46	Kansas	66	72.6	2,807.50	2,807.50
New York	31	3.5	2,128.43	1,738.47	Minnesota	57	29.6	4,901.40	4,890.30
Pennsylvania	11	3.7	1,368.93	1,214.79	Mississippi	3	3.5	333.73	330.71
Wisconsin	22	11.3	4,197.56	3,740.35	Missouri	12	19.0	1,056.92	681.09
Other States	31	17.9	13,242.50	11,798.72	Montana	3	0.9	380.70	380.70
Foreign ⁷	0	0.0	140.38	137.62					
United States	138	48.5	32,518.42	29,377.13					

(continued next page)

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

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

³ Data covering operations of cooperatives for fiscal years ended in 2010. States listed are those with more than two cooperatives or where disclosure was not a problem.

⁴ Gross business volume includes sales between cooperatives.

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

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

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

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

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

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number	Thousands	\$Millions			Number	Thousands	\$Millions	
GRAIN AND OILSEED⁸ (cont.)					SUGAR¹⁰ (cont.)				
Nebraska	33	57.2	3,878.89	3,876.67	Minnesota	3	2.5	1,822.96	1,816.83
North Dakota	63	23.6	2,712.24	2,712.24	Wyoming	4	0.4	37.84	37.84
Ohio	22	18.0	1,807.06	1,807.06	Other States	12	5.0	2,072.36	1,987.85
Oklahoma	20	14.4	242.74	242.74	Foreign ⁷	0	0.1	7.53	7.53
South Dakota	38	21.9	2,106.41	2,106.41	United States	27	9.4	4,889.84	3,983.19
Texas	25	10.5	600.78	600.78					
Washington	14	8.2	512.48	512.48	TOBACCO				
Other States	14	11.3	2,383.77	2,338.49	Tennessee	5	63.7	4.29	4.29
Foreign ⁷	0	0.0	5,441.49	5,441.49	Other States	3	1.3	238.31	238.31
United States	519	414.2	40,950.78	40,440.74	United States	8	65.0	242.60	242.60
LIVESTOCK					OTHER MARKETING¹¹				
North Dakota	5	0.7	26.38	26.38	Florida	3	0.0	34.61	34.61
West Virginia	4	0.2	3.39	3.39	Minnesota	9	4.4	1,494.28	1,435.54
Wisconsin	15	45.8	414.00	414.00	Other States	67	11.5	3,262.02	3,054.65
Other States	35	28.7	3,189.23	3,094.76	United States	79	15.9	4,790.91	4,524.80
United States	59	75.4	3,633.00	3,538.52					
NUT					TOTAL MARKETING				
California	9	3.8	822.46	822.46	Alabama	9	2.9	276.50	276.50
Other States	8	11.3	82.60	82.60	Alaska	5	3.0	8.39	8.39
Foreign ⁷	0	0.1	0.00	0.00	Arizona	9	1.3	765.05	695.65
United States	17	15.2	905.06	905.06	Arkansas	11	13.9	2,114.49	2,013.34
POULTRY⁹					California	81	20.6	9,036.26	8,209.98
California	3	0.1	204.26	204.26	Colorado	10	7.6	609.22	608.69
Other States	7	0.4	970.24	970.24	Florida	21	1.1	1,929.22	1,377.21
United States	10	0.5	1,174.50	1,174.50	Georgia	5	8.0	519.07	491.56
RICE					Hawaii	8	0.4	9.83	9.83
California	3	0.8	305.74	305.74	Idaho	17	4.8	1,302.63	545.46
Texas	4	0.5	56.60	56.60	Illinois	74	51.9	5,793.47	5,687.54
Other States	5	10.2	1,168.73	1,168.73	Indiana	16	7.5	1,556.13	1,521.67
United States	12	11.6	1,531.07	1,531.07	Iowa	66	68.9	9,353.91	9,080.10
SUGAR¹⁰					Kansas	66	74.4	3,562.07	3,432.18
Idaho	5	0.7	764.86	8.14	Kentucky	7	4.9	545.74	539.30
Louisiana	3	0.6	184.29	125.00	Louisiana	12	4.7	659.94	584.34
					Maine	20	1.5	131.02	130.55
					Massachusetts	3	0.4	399.74	193.15
					Michigan	24	8.9	2,694.67	2,592.79
					Minnesota	101	44.7	11,606.84	11,236.80
					Mississippi	22	7.3	711.74	704.91
					Missouri	20	26.7	4,072.48	3,211.01
					Montana	18	1.8	556.21	555.32
					Nebraska	37	59.5	4,980.75	4,787.26
					New Jersey	9	1.5	261.64	168.61
					New Mexico	7	0.9	533.70	497.61
					New York	43	4.7	2,444.80	1,979.72
					North Carolina	8	2.9	522.19	489.60
					North Dakota	78	27.2	3,709.29	3,664.55
					Ohio	28	22.2	2,658.67	2,604.24

⁹ Includes eggs, turkeys, ratite, squab, and related products.

¹⁰ Includes sugar, sugarcane, sugar beets, honey, maple syrup, molasses, and sorghum.

¹¹ Includes forest products, hay, hops, seed marketed for growers, nursery stock, biofuels, coffee, wool and mohair, and other marketings not classified separately. Also includes manufactured food products and resale items marketed by cooperatives.

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	Number Thousands		\$Millions			Number Thousands		\$Millions	
TOTAL MARKETING (cont.)					CROP PROTECTANTS¹²				
Oklahoma	33	22.9	594.65	565.79	Oklahoma			37.03	28.40
Oregon	18	6.8	1,914.27	1,789.76	Oregon			305.32	178.45
Pennsylvania	23	4.8	1,810.38	1,656.23	Pennsylvania			63.91	39.46
South Dakota	38	23.6	2,679.14	2,628.10	South Dakota			414.84	252.59
Tennessee	6	65.7	143.93	109.70	Tennessee			162.55	91.28
Texas	144	45.6	3,657.35	3,448.88	Texas			152.88	82.02
Utah	5	2.5	398.35	386.70	Utah			15.14	12.27
Vermont	3	1.2	488.97	488.97	Virginia			34.89	33.88
Virginia	13	3.4	482.66	431.41	Washington			378.06	248.04
Washington	33	12.0	2,795.03	2,765.58	West Virginia			3.48	3.48
West Virginia	13	1.0	19.16	17.10	Wisconsin			395.63	242.18
Wisconsin	39	57.6	6,017.15	5,113.15	Wyoming			2.90	1.97
Wyoming	6	0.9	113.55	113.34	Other States			118.47	92.91
Other States	9	3.6	787.19	699.55	Foreign ⁷			73.72	54.14
Foreign ⁷	0	0.5	5,906.56	5,741.11	United States			8,095.46	5,679.17
United States	1,218	738.4	101,134.01	93,853.22					
SUPPLIES PROVIDED					FEED¹²				
CROP PROTECTANTS¹²					Alabama			85.66	57.91
Alabama			120.61	104.83	Arkansas			119.61	98.46
Arkansas			224.40	160.98	California			613.57	449.44
California			39.03	33.00	Colorado			73.91	65.39
Colorado			43.66	35.03	Florida			120.25	96.49
Florida			46.96	22.47	Georgia			78.76	64.96
Georgia			125.44	104.07	Idaho			63.24	48.90
Idaho			65.79	42.55	Illinois			533.07	424.56
Illinois			947.15	728.23	Indiana			205.90	172.75
Indiana			322.56	234.19	Iowa			1,854.66	1,580.41
Iowa			1,344.02	1,004.64	Kansas			349.93	303.81
Kansas			316.38	243.46	Kentucky			91.42	84.98
Kentucky			69.57	56.89	Louisiana			84.93	65.60
Louisiana			62.14	35.55	Maryland			68.47	60.84
Maryland			24.08	21.20	Massachusetts			40.85	30.16
Massachusetts			1.34	0.52	Michigan			150.86	132.56
Michigan			48.93	32.76	Minnesota			1,275.70	1,052.86
Minnesota			533.34	386.83	Mississippi			92.60	77.32
Mississippi			108.23	86.15	Missouri			473.33	358.80
Missouri			157.15	104.09	Montana			69.86	21.57
Montana			229.19	116.56	Nebraska			388.85	298.90
Nebraska			483.34	320.81	New York			92.79	71.62
New York			27.16	13.23	North Dakota			156.22	121.07
North Dakota			384.69	275.86	Ohio			322.73	283.83
Ohio			211.45	154.19	Oklahoma			110.00	79.46
					Oregon			138.89	76.09
					Pennsylvania			212.73	158.57
					South Dakota			357.21	246.01
					Tennessee			254.69	168.38

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

(continued next page)

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
FEED¹² (cont.)					FERTILIZER¹²(cont.)				
Texas			411.38	320.11	Wisconsin			581.37	449.05
Utah			139.63	133.45	Wyoming			7.79	7.75
Virginia			202.07	192.96	Other States			225.27	212.56
Washington			131.15	66.01	Foreign ⁷			54.78	36.30
West Virginia			28.13	27.54	United States			11,118.99	9,418.85
Wisconsin			696.99	567.66					
Wyoming			11.15	9.76	PETROLEUM^{12, 13}				
Other States			494.76	372.76	Alabama			7.95	7.95
Foreign ⁷			228.00	154.80	Arkansas			156.28	146.88
United States			10,823.96	8,596.77	California			4.09	3.74
FERTILIZER¹²					Colorado			642.65	366.17
Alabama			80.20	80.20	Florida			6.46	4.44
Arkansas			110.17	104.58	Georgia			402.01	129.34
California			142.95	142.95	Idaho			494.25	238.64
Colorado			83.05	81.76	Illinois			2,505.26	1,723.31
Florida			83.44	64.44	Indiana			1,783.55	1,060.80
Georgia			87.47	85.19	Iowa			1,881.44	1,424.25
Idaho			46.33	46.33	Kansas			1,333.94	939.79
Illinois			1,214.63	1,076.85	Kentucky			158.96	119.99
Indiana			525.33	521.66	Louisiana			10.19	10.03
Iowa			1,824.15	1,410.90	Maryland			134.36	134.35
Kansas			501.92	495.78	Massachusetts			0.03	0.03
Kentucky			147.00	144.31	Michigan			565.33	245.55
Louisiana			19.05	18.88	Minnesota			1,549.54	1,288.74
Maryland			38.34	38.23	Mississippi			17.63	15.70
Massachusetts			7.28	4.96	Missouri			1,632.51	1,190.44
Michigan			89.10	87.51	Montana			715.85	530.41
Minnesota			880.46	758.98	Nebraska			1,403.94	998.26
Mississippi			33.98	32.42	New York			2.66	2.49
Missouri			351.96	266.84	North Dakota			1,305.09	1,035.96
Montana			312.86	193.65	Ohio			491.74	387.29
Nebraska			809.03	682.68	Oklahoma			805.72	402.55
New York			25.24	18.12	Oregon			503.03	298.55
North Dakota			417.26	417.26	Pennsylvania			6.29	6.12
Ohio			470.35	443.41	South Dakota			805.10	515.06
Oklahoma			101.98	98.32	Tennessee			587.15	237.32
Oregon			362.41	243.21	Texas			353.62	292.11
Pennsylvania			49.40	36.38	Utah			387.36	120.39
South Dakota			516.81	397.65	Virginia			688.24	401.98
Tennessee			252.74	179.74	Washington			607.28	425.51
Texas			102.34	102.34	West Virginia			55.49	55.49
Utah			32.24	30.13	Wisconsin			1,351.46	1,050.90
Virginia			125.67	123.04	Wyoming			470.77	282.83
Washington			392.25	272.16	Other States			76.44	76.21
West Virginia			12.41	12.31	Foreign ⁷			577.90	223.87
					United States			24,481.58	16,393.44

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

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
SEED¹²					OTHER SUPPLIES^{12, 14} (cont.)				
Alabama			36.75	24.18	Florida			47.71	28.25
Arkansas			58.29	41.33	Georgia			48.12	27.44
California			38.02	20.82	Idaho			51.19	42.10
Colorado			29.82	11.61	Illinois			259.25	178.97
Florida			4.64	3.92	Indiana			152.76	117.78
Georgia			19.08	15.75	Iowa			234.86	203.73
Idaho			22.52	11.54	Kansas			128.87	120.08
Illinois			565.59	371.62	Kentucky			102.96	79.65
Indiana			203.83	102.16	Louisiana			17.75	17.68
Iowa			625.96	373.66	Maryland			26.24	24.50
Kansas			146.00	90.86	Massachusetts			12.77	12.73
Kentucky			54.17	42.46	Michigan			95.48	80.51
Louisiana			29.24	15.22	Minnesota			358.09	328.57
Maryland			11.84	10.54	Mississippi			41.21	39.49
Massachusetts			0.63	0.63	Missouri			207.43	169.67
Michigan			39.88	22.95	Montana			83.69	79.59
Minnesota			517.77	287.81	Nebraska			144.81	139.09
Mississippi			43.65	20.38	New York			19.94	19.53
Missouri			96.94	72.66	North Dakota			398.36	391.85
Montana			27.59	24.26	Ohio			93.42	78.56
Nebraska			238.41	153.84	Oklahoma			46.69	39.44
New York			6.64	2.74	Oregon			268.09	265.91
North Dakota			262.45	135.24	Pennsylvania			18.48	16.05
Ohio			206.66	125.83	South Dakota			328.41	323.27
Oklahoma			9.74	8.00	Tennessee			301.48	196.37
Oregon			41.67	38.20	Texas			106.01	95.14
Pennsylvania			10.03	6.36	Utah			92.12	77.06
South Dakota			275.08	139.78	Virginia			160.92	156.65
Tennessee			141.78	82.92	Washington			182.10	147.66
Texas			63.36	39.22	West Virginia			29.48	29.46
Utah			5.91	3.74	Wisconsin			394.45	375.77
Virginia			37.95	36.94	Wyoming			41.77	39.54
Washington			59.58	53.94	Other States			206.26	165.19
West Virginia			5.51	5.22	Foreign ⁷			17.51	9.58
Wisconsin			251.62	146.99	United States			5,143.77	4,513.12
Wyoming			2.93	1.34					
Other States			62.50	50.50	SUPPLY				
Foreign ⁷			2.22	1.23	Alabama	41	27.3	387.64	328.61
United States			4,256.26	2,596.40	Arkansas	26	28.0	753.92	626.43
OTHER SUPPLIES^{12, 14}					California	16	12.7	1,036.55	841.38
Alabama			56.47	53.55	Colorado	15	33.8	957.64	637.06
Arkansas			85.17	74.19	Florida	7	10.3	309.46	220.00
California			198.89	191.43	Georgia	5	14.2	760.88	426.76
Colorado			84.54	77.09	Idaho	7	7.8	743.32	430.05
					Illinois	44	75.1	6,024.96	4,503.54
					Indiana	17	36.6	3,193.93	2,209.35
					Iowa	35	46.4	7,765.09	5,997.59

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

(continued next page)

Table 3—Number¹ of cooperatives, memberships,² and gross and net sales by State, 2010³*(continued)*

State	Head- quartered in State	Member- ships	Business volume		State	Head- quartered in State	Member- ships	Business volume	
			Gross ⁴	Net ⁵				Gross ⁴	Net ⁵
	<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>			<i>Number</i>	<i>Thousands</i>	<i>\$Millions</i>	
SUPPLY (cont.)					TOTAL				
Kansas	25	32.1	2,777.03	2,193.79	Alabama	51	30.2	687.93	628.89
Kentucky	29	187.7	624.07	528.28	Alaska	5	3.0	160.29	109.07
Louisiana	18	5.5	223.31	162.95	Arizona	9	1.8	841.15	755.01
Maryland	11	41.5	303.32	289.67	Arkansas	37	41.9	2,914.37	2,685.73
Massachusetts	3	2.3	62.90	49.03	California	120	35.5	10,434.99	9,413.55
Michigan	19	38.2	989.60	601.83	Colorado	26	41.4	1,632.41	1,311.29
Minnesota	101	84.7	5,114.90	4,103.78	Connecticut	5	0.6	264.44	251.33
Mississippi	31	34.9	337.31	271.47	Delaware	3	9.6	120.96	109.41
Missouri	40	81.1	2,919.31	2,162.51	Florida	33	20.3	2,260.23	1,618.76
Montana	27	24.8	1,439.04	966.05	Georgia	12	22.4	1,284.11	922.48
Nebraska	21	13.8	3,468.39	2,593.58	Hawaii	16	0.7	17.84	16.95
New York	6	1.4	174.42	127.73	Idaho	27	13.0	2,074.23	1,003.79
North Dakota	83	61.8	2,924.08	2,377.25	Illinois	119	127.5	12,232.70	10,605.36
Ohio	13	20.1	1,796.35	1,473.12	Indiana	35	44.1	4,905.00	3,885.97
Oklahoma	23	16.0	1,111.17	656.17	Iowa	102	117.3	17,726.92	15,685.60
Oregon	12	24.3	1,619.40	1,100.40	Kansas	92	106.6	6,601.62	5,888.49
Pennsylvania	7	4.3	360.84	262.95	Kentucky	36	192.6	1,184.84	1,082.60
South Dakota	37	41.1	2,697.45	1,874.36	Louisiana	35	10.4	897.25	761.30
Tennessee	60	67.1	1,700.39	956.00	Maine	22	5.0	208.50	202.86
Texas	36	28.6	1,189.60	930.94	Maryland	15	42.8	718.37	630.78
Utah	6	4.6	672.41	377.03	Massachusetts	8	3.1	457.78	237.32
Virginia	38	133.9	1,249.73	945.46	Michigan	46	47.5	3,737.69	3,248.04
Washington	22	13.3	1,750.43	1,213.32	Minnesota	206	129.6	17,754.52	16,373.36
West Virginia	10	67.4	134.51	133.50	Mississippi	56	55.7	1,108.65	1,035.98
Wisconsin	67	95.7	3,671.51	2,832.56	Missouri	60	107.8	7,198.51	5,580.24
Wyoming	5	4.1	537.31	343.19	Montana	46	26.5	2,011.99	1,538.11
Other States	12	43.0	1,183.71	970.14	Nebraska	59	73.3	8,761.07	7,692.76
Foreign ⁷	0	1.4	954.13	479.92	New Jersey	11	1.6	367.37	244.96
United States	975	1,467.0	63,920.03	47,197.74	New Mexico	8	1.2	602.45	544.74
					New York	55	6.4	2,634.74	2,122.95
					North Carolina	13	30.4	898.16	828.52
					North Dakota	162	90.7	6,775.49	6,183.92
					Ohio	43	42.4	4,627.22	4,249.56
					Oklahoma	56	38.9	1,763.57	1,279.71
					Oregon	32	31.6	3,578.08	2,934.57
					Pennsylvania	37	9.3	2,178.04	1,926.01
					South Carolina	3	3.4	200.59	180.61
					South Dakota	75	64.7	5,518.11	4,643.97
					Tennessee	66	132.8	1,890.32	1,111.70
					Texas	189	74.7	5,164.56	4,697.42
					Utah	12	7.1	1,088.40	781.37
					Vermont	3	1.2	519.32	517.27
					Virginia	53	137.4	1,771.83	1,416.31
					Washington	60	25.9	4,617.05	4,050.49
					West Virginia	23	68.4	154.37	151.30
					Wisconsin	114	156.5	9,884.90	8,141.94
					Wyoming	11	5.0	656.65	462.31
					Other States	3	0.8	116.79	98.29
					Foreign ⁷	0	1.8	6,860.69	6,221.03
					United States	2,310	2,242.5	170,067.05	146,063.97

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

to purchase one or more supply items. A member's business with the cooperative, therefore, may not be in the group that represents the cooperative's major business volume (the criterion for classifying cooperatives in this report). The membership, however, will be included arbitrarily in that classification.

During the past decade, membership declines in marketing cooperatives declined a little faster than those of supply cooperatives. Memberships in marketing cooperatives dropped 493,000 (62 percent) while service cooperatives had an increase of 6,000, and supply cooperatives decreased 302,000 (38 percent).

Employees

Cooperatives had an estimated 129,000 full-time employees in 2010, an increase of about 7,100 from 2009 (Table 4). With three record years of sales, it appears that some cooperatives have been able to add employees; some may have changed a few part-time and seasonal employees to full-time as the number of those employees decreased by 3,300 to 54,000 in 2010. Supply cooperatives increased their full-time employees by about 7,000 while grain and oilseed cooperatives decreased theirs by about 3,000.

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

In 2010, cooperatives employed an estimated 184,000 full-time and part-time and seasonal employees (Table 5), up 3,400 from 2009. Among marketing cooperatives, those primarily handling fruits and vegetables had the most employees (29,900), followed by grains and oilseeds (29,000), then dairy (20,000).

By type, marketing cooperatives had 106,000 full-time and part-time and seasonal employees (58 percent of total); supply cooperatives had 76,000 (41 percent); and service cooperatives had 2,000 (1 percent).

Figure 4 shows the number of full-time and part-time and seasonal employees by type of cooperative for 2010. Supply, fruit and vegetable, grain and oilseed, and dairy cooperatives used the most

employees; fish cooperatives the fewest. Dairy, rice, cotton, and fish cooperatives had the smallest proportion of part-time and seasonal employees to total employees. Cotton-ginning and fruit and vegetable cooperatives had more than half of their employees as part-time and seasonal employees while almost 50 percent of sugar cooperatives employees were part-time and seasonal.

Cooperatives used 54,000 part-time and seasonal employees in 2010, down about 3,300, or 6 percent, from 2009. Grain and oilseed, dairy, and fruit and vegetable cooperatives all had fewer part-time and seasonal employees in 2010.

In 2010, marketing cooperatives reported 36,000 part-time and seasonal employees, or 66 percent of that type of worker used. Marketing cooperatives averaged 29 part-time and seasonal employees per cooperative. Fruit and vegetable cooperatives, with about 17,000, accounted for about 31 percent of all part-time and seasonal employees used by cooperatives. Supply cooperatives had about 18,000 part-time and seasonal employees, an average of 18 per cooperative.

Most types of marketing cooperatives operated with more employees than did supply cooperatives. For example, sugar cooperatives averaged 401 employees; rice, 223; fruit and vegetable, 217; while supply cooperatives averaged 77 (Figure 5).

Business Size

Most cooperatives, as measured by annual gross business volume, are relatively small and serve local areas. Some actively seek regional, national, and even international markets to increase business volume. Although few in number, larger cooperatives account for much of cooperatives' business volume. They have grown in size partly from mergers, consolidations, and acquisitions. From 2001 to 2010, there were 1,137 fewer cooperatives with less than \$25 million in sales, while there were 218 cooperatives that moved up into the sales group of more than \$25 million in sales. The \$200 to \$499.9 million sales group had the most growth, increasing from 40 cooperatives in 2001 to 131 in 2010 (Table 6).

In 2010, 57 percent of all cooperatives reported a business volume of less than \$15 million. However, they accounted for less than 4 percent of the total

Figure 3—Cooperative Memberships by Function, 2001-2010

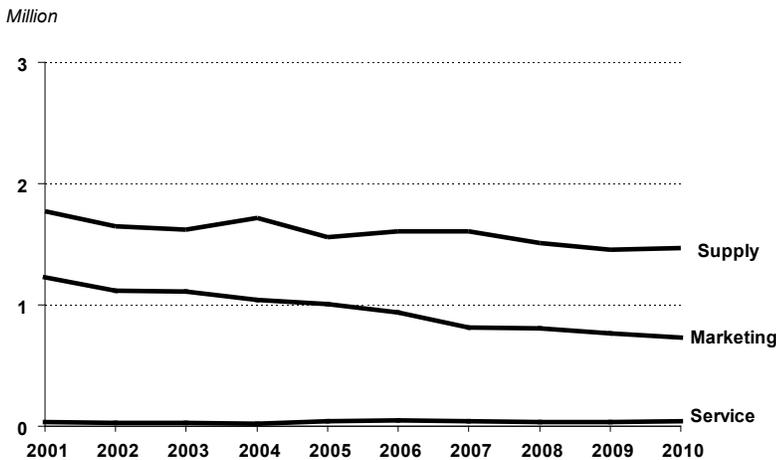
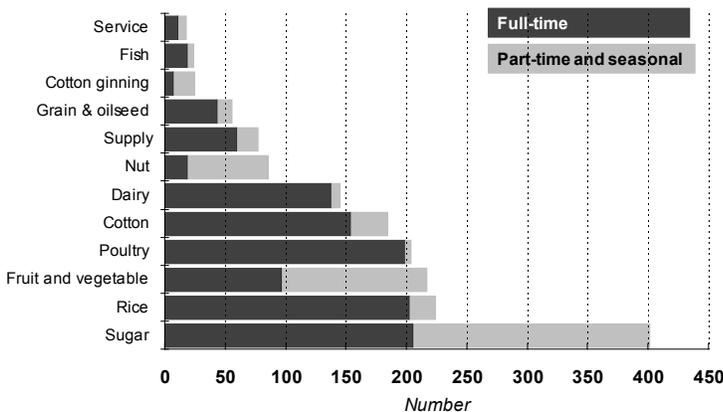


Figure 4—Full-Time and Part-Time and Seasonal Employees, by Cooperative Type, 2010



Figure 5—Average Full-Time and Part-Time and Seasonal Employees, 2010



gross dollar volume (Figure 6). About 8 percent of cooperatives reported a business volume of at least \$200 million, but they accounted for 72 percent of the total sales.

Business Volume

Total gross business volume of the 2,310 marketing, supply, and service cooperatives for 2010 was \$170.1 billion (Table 7), up slightly from \$169.3 billion in 2009. Historically, gross business volume fell from the record \$128 billion in 1996 to \$112 billion in 2002; however, this has not been a steady decline—some years saw increases to over \$120 billion while other years fell to \$115 billion or less (Appendix Table 3, Appendix Figure 4). The historical high of 1996 was almost matched in 2006 and then was eclipsed in 2007 through 2010.

Dairy cooperatives had a \$2.0-billion increase in sales due to higher prices, and supply cooperatives had increases in petroleum prices that led to a \$1.0-billion increase. Food grain prices decreased about 5 percent and oilseeds dropped 1 percent, leaving grain and oilseed sales down \$3.0 billion.

Total net business volume of cooperatives in 2010 was down slightly from 2009, even though gross sales increased slightly. This means there was a slight increase in sales between cooperatives, which lowers net sales (net sales = gross sales – sales between cooperatives). The net volume for 2010 was \$146 billion—\$94 billion from products marketed, \$47 billion from supply sales, and \$5 billion from services performed and other income sources. The \$146 billion was the third highest total ever, following only the record net business volume of 2008 and the second highest in 2009 (Appendix Table 4, Appendix Figure 5). There have been a number

of fluctuations in net business volume. Net volume dropped to around \$100 billion in 1999 and stayed there until the current upward trend that started in 2003. It really took off due to increased grain and oilseed prices and energy costs in 2007 through 2010. Adjusted for inflation² where 1991 = 100, net business volume totaled \$104 billion in 2001 and increased to \$168 billion in 2008, before falling to \$146 billion in both 2010 and 2009 (Figure 7). The difference between actual and real net business volume in 2010 was \$31 billion. The real net business volume was lower than the actual value in 2010 due to prices paid for production inputs increasing more than prices received for farm products. The index for prices received for all farm commodities from 2001 to 2010 rose 42 points, while the index for prices paid for farm production items increased 59 points: hence the gap between actual and real cooperative net business volume when adjusted by prices paid and prices received for farm production.

Net volume of products marketed decreased slightly from 2009—a decrease of less than 1 percentage point. Net marketing business volume accounted for 64 percent of total cooperative sales in 2010, the same as in 2009.

Figure 8 illustrates the leading products marketed by cooperatives based on net marketing business volume. Grain and oilseed led with 43 percent, followed by dairy (milk and milk products) with 31 percent, and fruit and vegetable with 6 percent.

Net supply volume of \$47 billion was also virtually unchanged from 2009 and accounted for 32

²Marketing sales was deflated by the index of producer prices received for “all farm products” (1991 = 100). Supply sales and service receipts and other income were deflated by the index of prices paid by farmers for “production items,” excluding interest, taxes, and wages (1991 = 100).

Figure 6—Distribution of Cooperatives and Volume, by Size, 2010

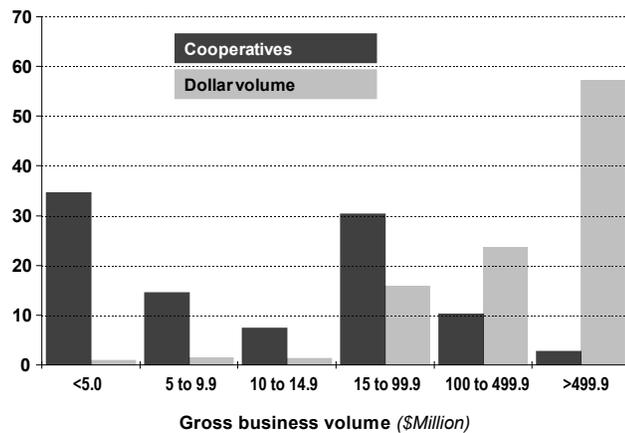
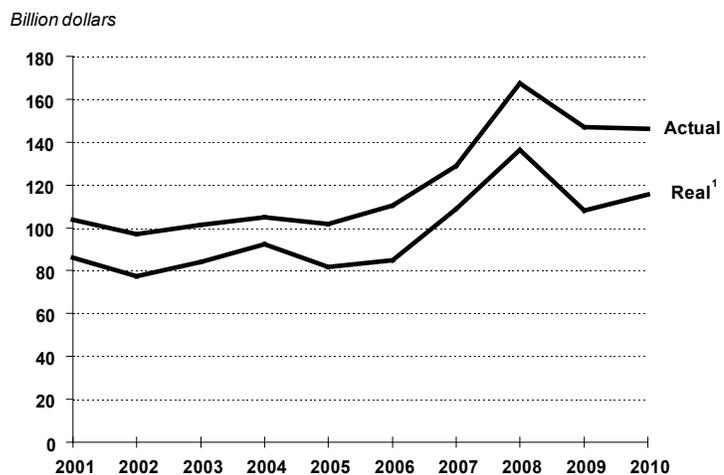


Figure 7—Cooperatives’ Net Business Volume, Actual and Adjusted, 2001-2010



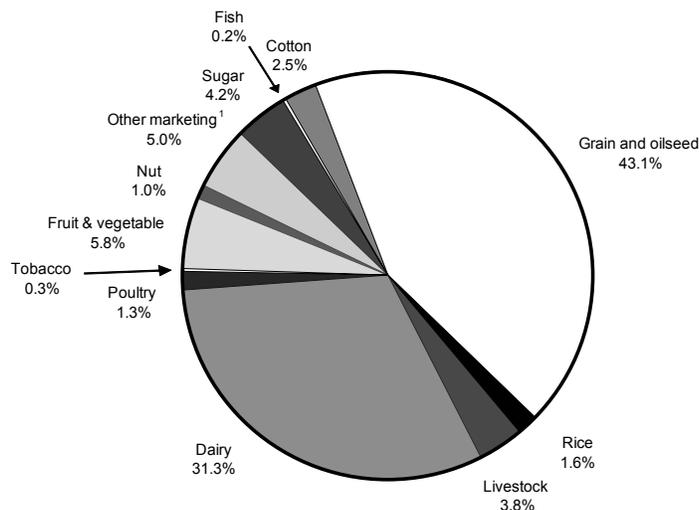
¹ Actual sales were adjusted for price change based on 1991 = 100.

percent of the total net business volume. The leading production goods handled by cooperatives in terms of supply net business volume were petroleum, 35 percent; fertilizer, 20 percent; and feed, 18 percent (Figure 9). Petroleum sales increased by more than \$0.5 billion over 2009 sales, while fertilizer sales decreased \$1.2 billion.

Receipts for services provided by marketing, supply, and service cooperatives, plus other income, increased slightly. Service receipts and other income represented 3 percent of total net business volume.

Marketing sales of four major commodity groups—grain and oilseed, dairy, fruit and vegeta-

Figure 8—Relative Importance of Products Marketed by Cooperatives, 2010



Percentages are based on a total net marketing business volume of \$93.9 billion.
¹Includes wool and mohair, dry beans and peas, and other product marketing

ble, and sugar—were up from 74 percent of marketing sales in 2001 to 84 percent in 2010 (Figure 10). Grain and oilseed sales increased by \$22 billion mainly due to prices increases. Dairy sales increased by \$3 billion, while fruit and vegetable sales decreased by \$6 billion due to several cooperatives changing to investor-owned firms or going out of business. Net volume among commodity groups was highest in 2010 for grain and oilseed with \$40 billion (\$18 billion in 2001), followed by dairy with \$29 billion.

For supplies, feed and fertilizer were important farm inputs (Figure 11), but petroleum was especially important with sales \$6 billion more than either feed or fertilizer. The combination of petroleum, feed, and fertilizer sales accounted for 73 percent of cooperatives' total supply sales in 2010 and 70 percent in 2001.

Gross and net business volumes by State are presented in Table 3. Sales are allocated to the State in which the product marketed was originated and the supplies were sold. Minnesota led all States in total gross and net business volume with \$17.8 billion and \$16.4 billion, respectively, followed by

Iowa with \$17.7 billion in gross business and \$15.7 billion in net business volume.

Balance Sheet

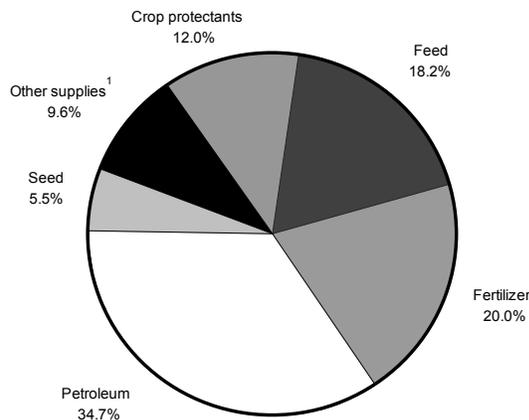
The balance sheet of a cooperative states its financial position at the end of a 12-month fiscal year. The balance sheet represents the cooperative's assets, liabilities, member equity, and their mutual relationship. Combined assets for all cooperatives totaled \$65 billion in 2010; about \$4 billion lower than the record set in 2008 of \$69 billion (Table 8). Total assets of cooperatives, excluding inter-cooperative investments, increased by \$4 billion from 2009 to \$61 billion. Cooperatives' total assets grew from \$48 billion in

2001 to \$65 billion in 2010 (Appendix Table 5 and Figure 12).

In 2001, \$5.2 billion (11 percent of total assets) was invested in other cooperatives, including CoBank, and this peaked at \$5.5 billion in 2002. In 2010, these investments were \$4.3 billion, down \$0.9 billion from 2001, and at 6.6 percent of total assets, 3.2 points lower than a decade ago.

Of the \$65 billion in total assets, marketing coop-

Figure 9—Relative Importance of Supplies Handled by Cooperatives, 2010



Percentages are based on a total net supply business volume of \$47.2 billion.
¹Includes building materials, tires, batteries and accessories, equipment, animal health products, pet food, semen, hardware, food, clothing, and other.

eratives accounted for \$34 billion, down \$6 billion from 2009. Grain and oilseed cooperatives had over \$14 billion in assets, almost double the assets of dairy cooperatives and more than 3 times the assets of fruit and vegetable cooperatives (\$4.5 billion), but all three types of marketing cooperatives with the most assets have less combined assets than supply cooperatives (\$31 billion).

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

Current Assets

Current assets are generally comprised of cash and cash equivalents, accounts and notes (with short-term maturities) receivable, inventories, and prepaid expenses. Current assets were about 60 percent for all sizes of cooperatives, up from 59 percent in 2009. Smaller cooperatives, especially service, most sugar, biofuels, and cotton-ginning cooperatives, had smaller levels of current assets. Grain and oilseed, livestock, dry bean and pea, and larger cooperatives tended to have higher levels of current assets.

Investments and Other Assets

Investments were most often in other cooperatives and CoBank, while other assets is a catch-all account in this study and contained a wide variety of items. Investments plus other assets ranged from 16 percent for small cooperatives down to 14 percent for cooperatives with sales from \$15 to \$100 million. Investments were larger for supply cooperatives than most marketing cooperatives. All but the largest supply cooperatives generally purchase their inputs from regional supply cooperatives: hence the large investments in other cooperatives.

Large dairy, large fresh fruit and vegetable, service (except dairy service and fresh fruit and vegetable service), cotton, fish, poultry, nut, tobacco, and live-stock cooperatives all had low investments—often less than 4 percent.

Property, Plant, and Equipment

Net property, plant, and equipment (net PP&E) are tangible assets used in the cooperative’s operations. By size, PP&E was between 24 and 28 percent of total assets. Biofuels, medium sugar,

Figure 10—Cooperatives’ Net Sales of Selected Commodities, 2001-2010

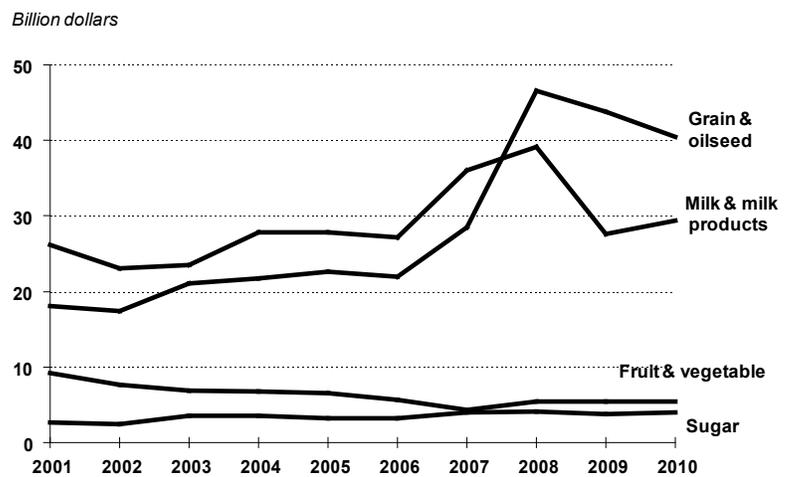


Figure 11—Cooperatives’ Net Sales of Selected Supplies, 2001-2010

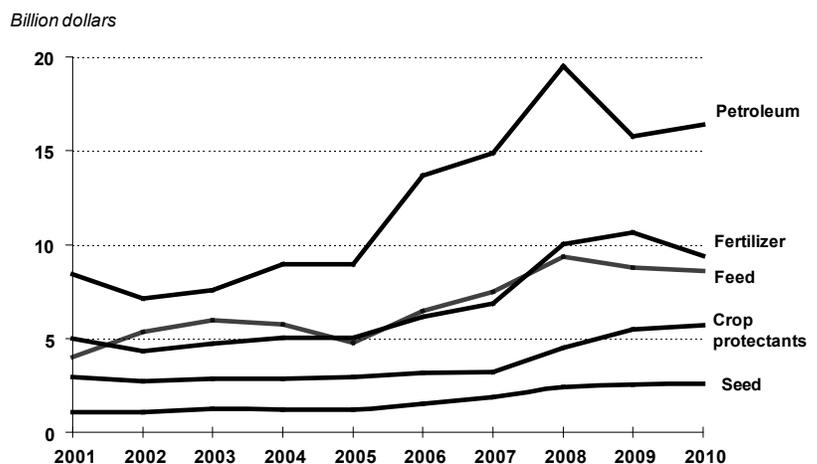


Table 4—Cooperatives' number of full-time employees, 2010-2006

Commodity	2010	2009	2008	2007	2006
	<i>Thousands</i>				
Bean & pea (dry edible)	0.2	0.2	0.2	0.2	0.2
Cotton	1.8	1.4	1.7	1.6	1.7
Cotton-ginning	1.1	1.1	1.1	1.1	1.1
Dairy	18.9	16.1	23.8	23.8	22.9
Fish	0.7	0.7	0.7	0.7	0.7
Fruit and vegetable	13.3	13.6	16.1	14.1	14.0
Grain and oilseed	22.4	25.7	21.0	17.9	17.7
Livestock	0.6	0.7	0.7	0.7	0.8
Nut	0.3	0.3	0.3	3.7	3.6
Poultry	2.0	1.7	1.7	1.7	2.1
Rice	2.4	2.5	2.6	2.6	2.6
Sugar	5.5	5.7	5.9	7.5	7.7
Other marketing	0.8	0.8	1.9	2.3	2.8
Total marketing	70.1	70.6	77.8	77.8	78.0
Total supplies	57.9	50.3	46.3	46.2	47.4
Total services	1.2	1.3	1.3	1.5	1.5
Total	129.3	122.2	125.4	125.5	126.9

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

Current Liabilities

Current liabilities are all obligations that will be paid with the use of current assets and will probably be paid within 1 year. Current liabilities are comprised of notes payable to banks and/or other trade creditors, accounts payable, current maturities of long-term debt, income taxes, other accrued liabilities (payroll, property taxes, interest, and other), patronage dividends payable, and miscellaneous or other current liabilities. Current liabilities were at least 31 percent of total assets and grew to 43 percent for larger cooperatives. Product marketing cooperatives tended to have higher levels of current liabilities than supply and service cooperatives.

Total Liabilities

Total liabilities include current liabilities plus long-term liabilities, which are primarily long-term debt. In the aggregate, all types and sizes of cooperatives had some long-term debt. Smaller cooperatives all had at least 10 percent of their assets financed through long-term debt. The largest cooperatives used the most debt, financing 21 percent of their assets. Nut, cotton, large fruit and vegetable, medium and small fish, rice, large and medium sugar, and farmer market cooperatives all financed about 20 percent of their assets with long-term debt.

Total liabilities were \$39 billion, up \$2 billion from 2009 (Table 10). Cooperatives' total liabilities grew from \$28 billion in 2001 to \$39 billion in 2010. Total liabilities financed 60 percent of total assets in 2010, about the same as in 2009.

Allocated (or Member) Equities

Allocated (or member) equities represent member ownership of each cooperative. Comparing allocated equities to total assets determines the percent of the cooperative's assets owned by members. Allocated equity comprised just 27 percent of ownership of all sizes of cooperatives, but this was 1 point higher than 2009. The very largest cooperatives had the smallest percentages of both retained earnings and overall equity.

Net worth, or member and patron equity, was \$26 billion, up \$2.1 billion from 2009. The proportion of total assets financed by member and patron equity

Figure 12—Cooperatives' Assets, Liabilities, and Net Worth, 2001-2010

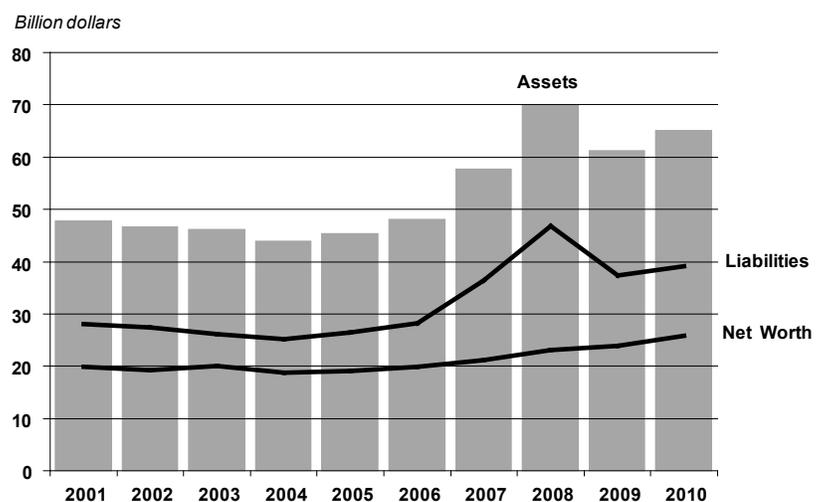


Table 5—Full-time and part-time and seasonal employees of cooperatives, by cooperative type, 2010-2009¹

Principal product(s) marketed or major function	Total employees		Full-time		Part-time & seasonal	
	2010	2009	2010	2009	2010	2009
Products marketed			<i>Thousands</i>			
Cotton	1.8	2.1	1.4	1.7	0.3	0.4
Bean & pea (dry edible)	0.2	0.3	0.2	0.2	0.1	0.1
Cotton	2.2	1.8	1.8	1.4	0.4	0.3
Cotton-ginning	3.9	4.0	1.1	1.1	2.8	2.9
Dairy	20.0	18.8	18.9	16.1	1.0	2.7
Fish	0.9	0.9	0.7	0.7	0.2	0.2
Fruit and vegetable	29.9	31.2	13.3	13.6	16.6	17.6
Grain and oilseed	29.0	35.2	22.4	25.7	6.6	9.5
Livestock and poultry	3.4	3.3	2.6	2.3	0.9	0.9
Rice	2.7	2.9	2.4	2.5	0.3	0.3
Sugar	10.8	10.3	5.5	5.7	5.3	4.6
Other marketing ²	2.9	2.9	1.1	1.2	1.7	1.7
Total marketing	106.0	111.4	70.1	70.6	35.8	40.9
Total supplies	75.5	66.6	57.9	50.3	17.7	16.3
Total services	2.1	2.1	1.2	1.3	0.9	0.8
Total	183.6	180.2	129.3	122.2	54.3	58.0

¹ Totals may not add due to rounding.

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

was 39 percent, unchanged from 2009. Net worth for all marketing cooperatives totaled \$13 billion, down \$2 billion from 2009. Marketing cooperatives accounted for 50 percent of cooperatives' combined net worth, down 13 points from 2009. Net worth for supply cooperatives totaled \$12.7 billion and was 49 percent of the total. For marketing cooperatives, the highest percentage of total assets represented by net worth as shown in Figure 13, 56 percent, was for other marketing cooperatives. The lowest, 31 percent, was fruit and vegetable cooperatives.

Income Statement

The income statement shows the net results of a cooperative's operations. Because most managers' performance is judged by net income, members attach great importance to the income statement.

Table 9 presents a common-size income statement for all cooperatives, broken out into six different sizes. Each item in a common-size income statement is represented as a percent of total sales or service. Common-size income statements by cooperative type and size are presented in Appendix Table 6.

Total (Net) Sales

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

Cost of Goods Sold

Cost of goods sold (COGS) includes the beginning inventory plus purchases and freight costs, minus purchase returns and allowances, purchase discounts, and ending inventory. COGS, therefore, was the purchase price of the supplies sold or products marketed. For all sizes of cooperatives, COGS was 90 percent of net sales. COGS can be much lower for cooperatives that process products or provide technical services. Artificial-insemination cooperatives, processed and fresh fruit and vegetable cooperatives, larger fish, smaller nut, larger rice, and medium sugar cooperatives have a lower COGS. Grain and oilseed and most dairy cooperatives have a COGS in excess of 90 percent, while large livestock marketing cooperatives that operate mainly as auctions have a COGS of 99 percent.

Gross Margins

The excess of net sales over the cost of goods sold is the gross margin or gross margin percentage. A small change in the gross margin can tremendously impact net operating margins. A cooperative

Table 6—Cooperatives and memberships, by gross business volume, 2010¹

Sales volume group (million \$)	Cooperatives		Dollar volume		Memberships ²	
	Number	Percent of total	Gross ³ (million \$)	Percent of total	Number (1,000)	Percent of total
Less than 5.0	801	34.7	1.44	0.8	271	12.1
5 - 9.9	336	14.5	2.48	1.5	179	8.0
10 - 14.9	172	7.4	2.14	1.3	124	5.5
15 - 24.9	251	10.9	4.88	2.9	176	7.8
25 - 49.9	250	10.8	8.73	5.1	229	10.2
50 - 99.9	200	8.7	13.21	7.8	193	8.6
100 - 199.9	106	4.6	14.75	8.7	192	8.6
200 - 499.9	131	5.7	25.30	14.9	323	14.4
500 - 999.9	41	1.8	19.79	11.6	152	6.8
1,000 and more	22	1.0	77.36	45.5	403	18.0
Total ⁴	2,310	100.0	170.07	100.0	2,243	100.0

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

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

³ Includes inter-cooperative business volume.

⁴ Total may not add due to rounding

manager must maintain a gross margin near industry averages. Thus, least-cost sources of supplies need to be developed and marketing cooperatives need to pay market rates on the products they purchase.

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

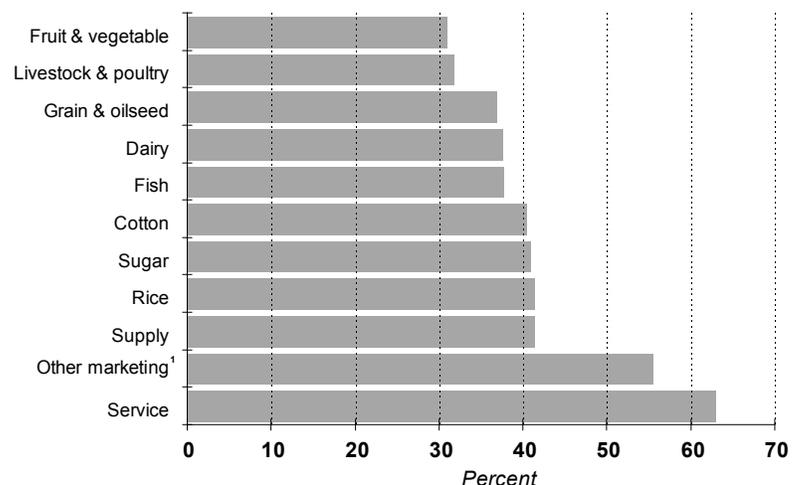
Gross margin equals net sales less cost of goods sold, so cooperatives with higher COGS had lower gross margins. The COGS was about three points higher for the very largest cooperatives than for the other sizes. As discussed earlier in COGS, those cooperatives with a low COGS would have high gross margins.

Service and Other Operating Income

Service and other operating income is that derived from any service these cooperatives provided. Some cooperatives only provide services, such as rice-driers, storage, transportation, auctions, hulling, seed development, locker plants, pest management and scouting, farmer markets, and other miscellaneous services. Service income is important to marketing and supply cooperatives. They provide hauling, storage, grading, delivery, custom application, record keeping, and drying, to name some

of the most common. Other operating income is generated from sales activities and includes income from providing financing for sales.

Figure 13—Percentage of Assets Financed by Net Worth, by Cooperative Type, 2010



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

Table 7—Cooperatives' gross and net business volumes by commodity, 2010 & 2009¹

Commodity	Gross volume		Net volume	
	2010	2009	2010	2009
Products marketed	<i>Billion \$</i>			
Beans & peas (dry edible)	.163	.166	.161	.164
Cotton	2.387	2.354	2.300	2.242
Dairy	32.518	30.543	29.377	27.615
Fish	.225	.200	.225	.200
Fruit & vegetable	7.723	7.547	5.449	5.445
Grain & oilseed ²	40.951	44.296	40.441	43.772
Livestock	3.633	3.089	3.539	2.986
Nut	.905	.814	.905	.814
Poultry ³	1.174	1.177	1.174	1.177
Rice	1.531	1.686	1.531	1.686
Sugar	4.890	4.577	3.983	3.801
Tobacco	.243	.168	.243	.168
Wool and mohair	.005	.005	.005	.005
Other marketing ⁴	4.786	4.769	4.520	4.483
Total marketing	101.134	101.391	93.853	94.558
Supplies purchased				
Crop protectants	8.095	7.710	5.679	5.477
Feed	10.824	11.050	8.597	8.783
Fertilizer	11.119	12.223	9.419	10.627
Petroleum	24.482	23.264	16.393	15.756
Seed	4.256	3.932	2.596	2.517
Other supplies ⁵	5.144	4.819	4.513	4.201
Total supplies	63.920	62.999	47.198	47.362
Services and other income ⁶	5.013	4.940	5.013	4.940
Total business	170.067	169.330	146.064	146.860

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

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

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

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

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

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

For service cooperatives, service is 100 percent on their income statement. By cooperative size, service income is the most important for smaller cooperatives (15 percent of sales) and diminishes as size increases to cooperatives with over \$500 million in sales (1 percent of sales). Many of the cotton-ginning cooperatives have a significant amount of service income; hence, service income ranges from 33 percent to 59 percent of sales for these cooperatives.

Operating Expenses

There are only four accounts for expenses in Table 9: wages, depreciation, interest, and all other. The wage account includes all employee expenses, some of which are salaries and wages, payroll taxes, employee insurance, unemployment compensation, and pension expense. The all other account would include administrative expenses, which are overhead costs associated with a cooperative and indirectly related to revenue production. These include professional services, office supplies, telephone, meetings and travel, donations, dues and subscriptions, directors' fees and expense, and annual meetings. The all other account would also include general expenses, which are directly related to revenue production, such as advertising and promotion; auto and truck delivery; insurance; property, business and other taxes and licenses; rent and lease expenses; plant supplies and repairs; repairs and maintenance; utilities; miscellaneous; bad debts; and other.

Wage expenses were the highest for smaller cooperatives and fell as cooperative size increased, from 13 percent for the smallest cooperatives to 4 percent for the largest. Wage expenses were higher for service cooperatives, because they are generally small and lack other sales to spread out wage costs. Artificial-insemination cooperatives had wage expenses that were over 43 percent of sales, those of smaller cotton-ginning cooperatives averaged over 33 percent of sales. Dairy, cotton, grain and oilseed and larger and middle livestock marketing (auctions), biofuels, smaller rice, tobacco, and smaller sugar cooperatives had lower wage expenses relative to sales.

Depreciation expenses did not change much with cooperative size; their range was just over 1 point,

Table 8—Combined assets of cooperatives, 2010¹

Principal product(s) marketed and major function	Co-ops ²	Assets of own operations	Investments in other co-ops ³	Total assets	Investments in other co-ops as percent of total
Products marketed	No.	Billion \$		Percent	
Cotton	12	1.024	.018	1.043	1.8
Cotton-ginning	157	.414	.072	.486	14.9
Dairy	138	7.128	.128	7.256	1.8
Fish	37	.076	.000	.076	0.0
Fruit & vegetable	138	4.399	.111	4.510	2.5
Grain & oilseed	519	13.125	1.314	14.439	9.1
Livestock & poultry	69	.662	.015	.677	2.2
Rice	12	.760	.010	.771	1.4
Sugar	27	2.829	.267	3.096	8.6
Other marketing ⁴	109	1.628	.029	1.657	1.8
Total marketing	1,218	32.046	1.966	34.012	5.8
Total supplies	975	28.279	2.334	30.613	7.6
Total services	117	.387	.036	.423	8.4
Total	2,310	60.712	4.335	65.047	6.7

¹ Totals may not add due to rounding.

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

³ Also includes investments in CoBank.

⁴ Includes dry edible beans and peas, nuts, tobacco, wool, and other marketing.

ranging from 2 percent for the smallest cooperatives to 1 percent for the largest. Smaller cotton-ginning cooperatives and service cooperatives (except dairy, livestock, and fruit and vegetable) had depreciation expenses of at least 5 percent of sales. Most livestock cooperatives had little PP&E, so depreciation expenses were low: less than 1 percent. Most dairy and grain and oilseed cooperatives also had depreciation expenses of less than 1 percent.

Interest expenses were relatively minor for all sizes of cooperatives, comprising less than 0.5 percent of total sales. Cotton service, rice-drier, and hulling cooperatives all had interest expenses greater than 2 percent of sales.

Other expenses fell as cooperatives grew larger. This account is the difference between total expenses and the sum of wages, depreciation and interest, so it can be overstated when these three accounts are estimated for the few cooperatives that did not

break out individual expenses on the survey or in their annual report. As a result, other expenses in this report may be larger than expected.

Net Operating Margins

Net operating margins is gross margins minus total expenses but before taxes and patronage refunds from other cooperatives; so it is income generated by the cooperatives' own operations. Net operating margins for all cooperatives in 2010 was \$3.6 billion, excluding inter-cooperative dividends and refunds (Table 11). Net operating margins was about \$0.1 billion higher than in 2009.

Net operating margins as a percent of net sales was 1.8 percent for all cooperatives by size (Table 9). Most service cooperatives (except dairy and livestock), artificial-insemination, large processed and fresh fruit and vegetable, large cotton-ginning, and small nut coopera-

tives had high net operating margins. Small cotton-ginning, dairy, livestock, small fish, large poultry, and smaller sugar marketing cooperatives had low or negative net operating margins.

Patronage Income

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

Patronage refunds received from other coopera-

Table 9—Common size analysis by cooperative size, 2010

Cooperative sales size	All sizes	≥ \$500 million	From \$100 to \$500 million	From \$15 to \$100 million	From \$5 to \$15 million	< \$5 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	59.60	59.32	60.66	60.22	54.08	56.16
Other assets	9.41	13.76	5.35	3.21	7.42	7.18
Investments	6.69	2.92	10.09	11.19	13.62	9.03
PP&E ¹ (net)	24.30	24.00	23.90	25.38	24.88	27.63
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	43.26	42.58	45.05	45.14	35.45	31.00
Total liabilities	60.33	63.80	60.34	54.91	44.20	41.37
Allocated equity	27.17	27.88	23.16	27.12	37.27	49.93
Retained earnings	12.50	8.32	16.50	17.97	18.54	8.71
Total equity	39.67	36.20	39.66	45.09	55.80	58.63
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	90.15	91.17	88.99	88.92	86.19	83.99
Gross margin	9.85	8.83	11.01	11.08	13.81	16.01
Service and other income	2.29	1.32	2.90	3.66	7.30	14.76
Gross revenue	12.14	10.14	13.91	14.74	21.11	30.77
Expenses						
Wages	4.86	4.02	5.70	5.83	8.66	12.53
Depreciation	1.15	0.98	1.30	1.39	1.81	2.29
Interest	0.47	0.41	0.58	0.50	0.64	0.76
Other	3.83	2.91	4.57	5.15	7.75	12.96
Total expenses	10.30	8.31	12.14	12.88	18.86	28.54
Net operating margins	1.84	1.83	1.78	1.86	2.25	2.23
Patronage income	0.42	0.13	0.69	0.91	1.47	1.45
Non-operating income	0.33	0.21	0.51	0.48	0.62	0.14
Net income before taxes	2.59	2.17	2.98	3.25	4.34	4.18
Taxes	0.19	0.12	0.30	0.29	0.24	0.14
Net income	2.40	2.04	2.68	2.96	4.10	4.04
Ratios						
	<i>Percent or number</i>					
Current	1.38	1.39	1.35	1.33	1.53	1.81
Debt-to-asset	0.60	0.64	0.60	0.55	0.44	0.41
Debt-to-equity	1.52	1.76	1.52	1.22	0.79	0.71
Retained-earnings-to-equity	31.50	22.97	41.61	39.85	33.22	14.85
Equity-to-assets	39.67	36.20	39.66	45.09	55.80	58.63
Adjusted-equity-to-assets	69.91	63.04	72.16	82.20	86.44	84.97
Return-on-assets	7.77	7.39	8.11	8.24	8.92	6.61
Return-on-member-equity	22.41	21.05	26.43	23.91	19.71	10.83
Extra value index +2	8.78	8.46	9.13	9.53	8.97	5.47
Extra value index +5	6.68	6.57	6.96	7.07	6.37	2.92
Extra value index +10	3.19	3.42	3.35	2.96	2.05	-1.33

¹ Property, plant, and equipment

Table 10—Combined balance sheet data of cooperatives, 2010¹

Principal product(s) marketed and major function		Co-ops	Total assets	Total liabilities	Net worth
Products marketed	No.	<i>Billion dollars</i>			
Cotton	12	1.04	.62	.42	
Cotton-ginning	157	.49	.21	.28	
Dairy	138	7.26	4.53	2.73	
Fish	37	.08	.05	.03	
Fruit & vegetable	138	4.51	3.12	1.39	
Grain & oilseed	519	14.44	9.11	5.33	
Livestock & poultry	69	.68	.46	.22	
Rice	12	.77	.45	.32	
Sugar	27	3.10	1.83	1.27	
Other marketing ²	109	1.66	.74	.92	
Total marketing	1,218	34.01	21.11	12.90	
Total supplies	975	30.61	17.91	12.70	
Total services	117	.42	.16	.27	
Total	2,310	65.05	39.18	25.87	

¹ Totals may not add due to rounding.

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

tives, including CoBank, totaled \$692 million, down 23 percent from \$904 million in 2009 (Appendix Figure 6). In 2001, refunds from other cooperatives totaled \$316 million, or 23 percent of net income before taxes. By 2010, refunds had fallen to 16 percent of net income before taxes.

Patronage refunds were a little less than 1.5 percent of sales for the smallest cooperatives, and fell to 0.1 percent for the largest (Table 9). All cotton-ginning cooperatives had patronage refunds of at least 6 percent of sales. Livestock, fish, poultry, bio-fuels, nut, rice, tobacco, wool, storage, and hulling cooperatives had virtually no patronage refunds.

Table 11—Cooperatives' net income before taxes, 2010¹

Principal product(s) marketed and major function		Co-ops	Income before taxes	Net operating margins	Patronage income ²
Products marketed	No.	<i>Million dollars</i>			
Cotton	12	65.0	63.7	1.3	
Cotton-ginning	157	83.2	48.9	34.3	
Dairy	138	399.7	372.0	27.6	
Fish	37	3.4	3.4	.0	
Fruit & vegetable	138	557.7	552.3	5.4	
Grain & oilseed	519	1,000.2	792.0	208.2	
Livestock & poultry	69	12.5	11.6	.9	
Rice	12	10.7	9.9	.8	
Sugar	27	120.4	118.1	2.2	
Other marketing ³	109	81.1	79.4	1.7	
Total marketing	1,218	2,333.9	2,051.4	282.6	
Total supplies	975	1,904.4	1,498.0	406.4	
Total services	117	43.7	41.1	2.6	
Total	2,310	4,282.1	3,590.5	691.6	

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

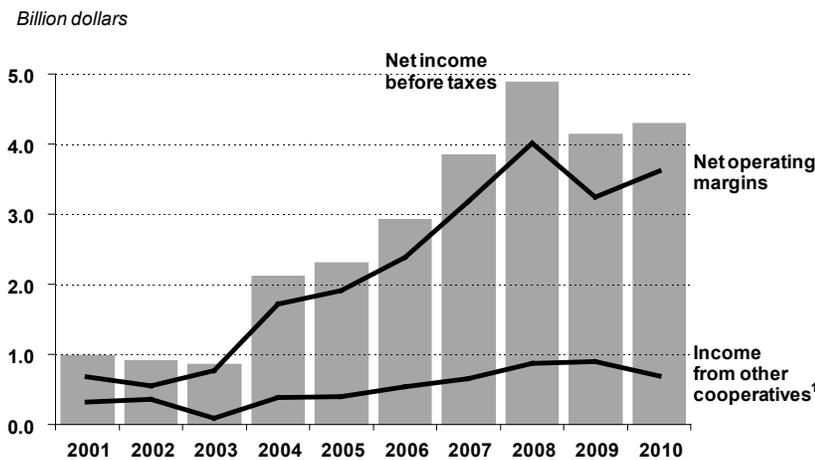
² Includes patronage refunds from CoBank.

³ Includes dry edible bean and pea, nuts, tobacco, wool, and other marketing.

Non-Operating Income

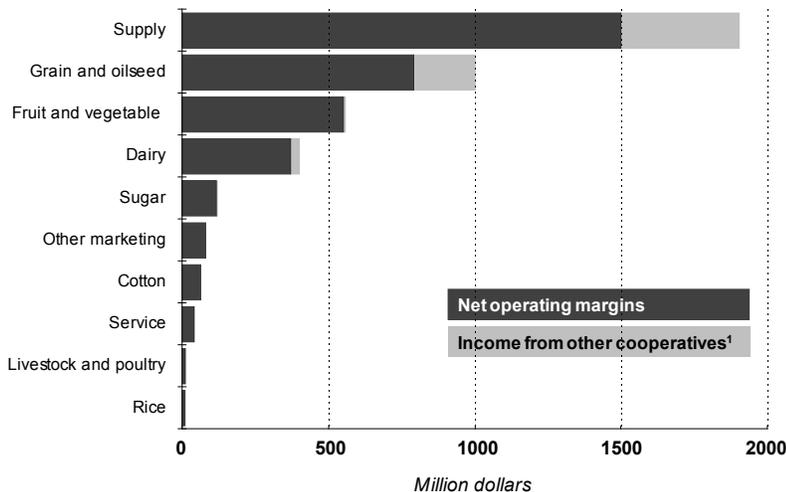
Non-operating income is income not generated by sales. It could be interest from investments. It also could come from the sale of PP&E, rentals, and extraordinary items. Sometimes PP&E are sold to generate income, but usually they are fully depreciated. When sold, if the market value is greater than the book value, income is generated. In some cases, disposal of a fully depreciated asset may mean a loss. Rental income from unused facilities or equipment provides income flows. Extraordinary items might be either a gain or a loss. A gain could result from a fire loss where the insurance settlement was greater than the book value. A loss might occur from flood damage for which the cooperative had no coverage.

Figure 14—Cooperatives' Net Income Before Taxes, 2001-2010



¹ Includes dividends and patronage refunds from other cooperatives and CoBank

Figure 15—Before Taxes Net Income or Loss, by Type of Cooperative, 2010



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

For all sizes of cooperatives, non-operating income averaged less than 1 percent of sales.

Net Income Before Taxes

Net income before taxes (NIBT) was \$4.3 billion, an increase of 4 percent from the \$4.1 billion in 2009. Net income in 2010 was over four times the NIBT of \$1.0 billion in 2001 (Appendix Table 7 and Figure 14).

Marketing cooperatives' NIBT of \$2.3 billion was down 21 percent from the \$2.9 billion generated in 2009. Nut, livestock, cotton, and fish cooperatives all had increases in net income before taxes.

Total net income of supply cooperatives was \$1.9 billion in 2010, more than double the \$0.7 billion in 2009 (Figure 15). This accounted for 44 percent of cooperatives' total net income in 2010, up from 29 percent in 2009 (Appendix Figure 7).

Losses totaled \$160 million in 2010, a 32-percent decrease from the \$237 million in losses in 2009. Supply cooperatives accounted for 54 percent of the losses, down from 59 percent in 2009 (Appendix Figure 8). The number of cooperatives with losses was down from 267 to 236, a decrease of 12 percent.

Income Taxes

Cooperatives paid income taxes on earnings not allocated to members (retained earnings) and on dividend payments. Each cooperative's board determined what amounts of income were allocated to retained earnings and to members. Non-member business has an impact on retained earnings because cooperatives can allocate the earnings to nonmembers or retain the income. Cooperatives paid \$320 million in income taxes.

Net Income

Net income after taxes (net operating margins plus patronage refunds and non-operating income minus taxes) was the highest for smaller cooperatives (4 percent), but fell to 2.0 percent for the largest cooperatives. Cotton-service, cotton-ginning (other than the smallest), large processed and fresh fruit and vegetable, rice-drier, small transportation, storage, and hulling cooperatives all had higher than average net incomes while livestock, smaller fish, larger poultry, and middle and small sugar-market-

ing cooperatives had lower levels of net income relative to sales.

Selected Financial Ratios

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

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

The formulas for these ratios are:

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

Liquidity Ratio

The current ratio is a liquidity ratio—a measure of the cooperative's ability to meet short-term obligations. It focuses on the cooperative's ability to remain solvent. However, this ratio does not consider the degree of liquidity of each of the current asset components. If the current assets of a cooperative

were mainly cash, they would be much more liquid than if comprised of mainly inventory.

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

A high current ratio is a favorable condition financially because it indicates the ability to pay current liabilities from the conversion of current assets into cash. Operationally, this same high ratio tends to increase operating freedom and reduce the probability of bill-paying difficulty from write-downs of accounts receivable or inventory. The current ratios of six sizes of cooperatives are shown in Table 9 (for all types and sizes, see Appendix Table 6). By size, the ratio is always less than or equal to 1.8, meaning current assets exceed current liabilities by 1.8 or less times. If needed, these current assets could be sold to cover all short-term liabilities and the cooperative would still have some liquid assets left. By type, the current ratio exceeds two for artificial-insemination, small rice, small sugar, rice-drier, small transportation, and dairy service cooperatives.

Leverage ratios

Leverage ratios look at the long-term solvency of the cooperative and help analyze the use of debt and the ability to meet obligations in times of crisis.

Debt-to-asset ratio shows the proportion of debt used to finance assets. Reducing debt, increasing savings, or financing a greater portion of assets with working capital may improve this ratio.

Generally, larger cooperatives relied on the use of more debt financing. Debt financing was used for at least 60 percent of assets owned by cooperatives with sales from \$100 to \$500 million in sales, and rose to 64 percent for the largest cooperatives. Artificial-insemination, small cotton gins, and most service cooperatives had the lowest use of debt financing.

Debt-to-equity ratio shows the financial flexibility and the long-term capital structure of the cooperative. High ratios indicate inadequate borrowing power. A low ratio is more favorable and financially makes the cooperative more independent of outside

sources of funds because owners' equity is available. A low ratio may indicate low return on equity. Operationally, a low ratio tends to reduce interest cost. Improvement may be gained by disposing of unproductive assets and using proceeds to liquidate debt, or accelerating payments on long-term loans. Other ways include increasing local equity by generating higher levels of net operating margins, slowing down equity retirement programs, selling additional capital stock, or retaining more allocated savings.

As cooperatives' sizes grew, so did their use of debt. The ratio was 0.7 for the smallest cooperatives, and it grew to 1.8 for the largest. Artificial-insemination, cotton-ginning, small dairy, large to small supply and mixed supply, biofuels, small sugar, and most service cooperatives all had a ratio of less than 1.

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

For all but the largest and smallest cooperatives, retained-earnings-to-total-equity is greater than 30, meaning the cooperative has about one-third of total equity comprised of retained earnings. This ratio increases as cooperative size increases for all but the largest cooperatives, where it falls to 23 percent. The smallest cooperatives have retained earnings of 15 percent relative to total equity. Cotton-ginning, middle-size sugar, and most service cooperatives have lower retained-earnings-to-total-equity ratios.

Solvency Ratios

Solvency ratios look at the long-term solvency of the cooperative and help analyze the use of equity and the ability to meet obligations in times of crisis.

The ratio of *equity-to-assets* measures the use of equity to finance the cooperative and can be considered a measure of solvency or financial strength of the cooperative. The ratio is the inverse of the previously described debt-to-asset ratio ($\text{equity-to-assets ratio} = 1 - \text{debt-to-asset ratio}$).

Smaller cooperatives are generally stronger financially, because they finance a larger proportion of their assets with equity. The equity-to-assets ratio ranges from 59 for the smallest cooperatives to 36

for the largest. With an equity-to-assets ratio of 36, only about one-third of a cooperative's assets is financed by equity and almost two-thirds are financed by debt. Small farm supply, artificial-insemination, small cotton-ginning, biofuels, small sugar, and service cooperatives all have an equity-to-assets ratio in excess of 60.

Another measure of solvency or financial strength is shown by the *adjusted-equity-to-assets* ratio, where total equity is divided by total assets minus current liabilities. When current liabilities are subtracted from assets, the remainder is long-term debt and total equity, so the ratio shows the relative use of long-term debt and equity to finance the cooperative. A higher ratio indicates higher solvency or a greater use of equity to finance operations. Operationally, reducing long-term debt or increasing equity strengthens this ratio.

Small cooperatives have an adjusted-equity-to-assets ratio of 85 but this ratio falls to 63 for the largest cooperatives, indicating that larger cooperatives use more long-term debt. Small farm-supply, small mixed farm-supply, small mixed grain and oilseed, small grain and oilseed, artificial-insemination, small cotton-ginning, small dairy, small fresh and processed fruit and vegetable, middle to small livestock, small poultry, small biofuels, dry bean and pea, and many service cooperatives have an adjusted-equity-to-assets ratio of at least 85.

Profitability Ratios

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

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

Operationally, a high ratio tends to reduce interest cost and financially indicates a comparatively high rate of return-on-assets employed. This ratio rose from 7 for the smallest cooperatives to 8 for

middle-size cooperatives and then fell to 7 for the largest cooperatives. It is high for small rice, large cotton-ginning, rice-drier, storage, and hulling cooperatives.

Return-on-member-equity represents members' investment in their cooperative. It is an important measure of profitability. This ratio is sensitive to the amount of debt capital in the cooperative and is best used in conjunction with other measures such as the return-on-assets. Financially, a high ratio is favorable and tends to decrease financial leverage. However, a high ratio may also be a symptom of insufficient investment. Operationally, a high ratio tends to reduce interest cost over time but may occur when both total debt and interest costs are high.

By size, the highest return-on-member-equity was over 26 percent for cooperatives with \$100 million to \$500 million in sales. The smallest cooperatives have higher proportions of member equity and thus a lower ratio of 11. Large cotton-ginning, large dairy, large processed and fresh fruit and vegetable, large farm supply, larger mixed grain and oilseed, most grain and oilseed, smaller fish, dry bean and pea, small sugar, rice-drier, storage, and hulling cooperatives have very high returns on member equity.

Extra Value Index

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

If the EVI index is positive, cooperative management has created value for members because the cooperative's operations are covering the opportunity cost of member's equity capital. The converse is true if the EVI index is negative—member's

investment in the cooperative is being diminished as the opportunity cost of member's equity capital is not being covered.

There are three values shown for EVI in table 9. The EVI+2 represents a basic rate by adding 200 basis points to the London Inter-Bank Offered Rate (LIBOR) 12 month maturity December average, which was 0.79 for December 2010. The basic LIBOR+2 rate, represented in Table 9 as EVI+2 (2.79), reflects the rate that banks in the United States might charge on loans to firms with better than average credit ratings. EVI+5 (5.79) represents a moderate premium for risk or LIBOR rate plus 500 basis points, while EVI +10 (10.79) is a higher premium for risk as it is LIBOR rate plus 1,000 basis points.

Smaller cooperatives, which generally have a larger proportion of equity relative to assets, have a lower EVI. For EVI+2, small cooperatives generated almost 5.5 cents of extra value for each \$1 of member equity investment. For the higher risk of EVI+10, smaller cooperatives had a negative return of 1 cent.

Larger cotton-ginning, middle-size fish, large nut, small rice, rice-drier, storage, and hulling cooperatives all had a high EVI (Appendix Table 6). The EVI used in these tables was the same for all cooperatives. The LIBOR rate is a proxy for the cooperative's cost of capital. Since the cooperative would know this value, it could be plugged into the formula to generate the cooperative's individual EVI.

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APPENDIX TABLES

Appendix Table 1—Number of cooperatives by major business activity, 2010-2006

Major business activity	2010	2009	2008	2007	2006
Products marketed:			<i>Number</i>		
Bean and pea (dry edible)	5	6	6	6	6
Cotton	12	12	12	12	12
Cotton-ginning	157	166	176	187	185
Dairy	138	140	143	156	163
Fish	37	35	39	43	43
Fruit and vegetable	138	144	154	153	160
Grain and oilseed ¹	519	555	591	593	660
Livestock	59	57	58	57	48
Nut	17	16	16	16	15
Poultry ²	10	10	13	13	13
Rice	12	14	14	14	14
Sugar ³	27	31	31	32	40
Tobacco	8	9	11	11	15
Wool and mohair	54	57	62	63	51
Other marketing	25	25	28	29	29
Total marketing	1,218	1,277	1,354	1,385	1,454
Total supplies	975	992	1,011	1,094	1,146
Total services	117	121	110	116	135
Total	2,310	2,390	2,475	2,595	2,735

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

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

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

Appendix Table 2—Cooperative memberships, by major business activity, 2010-2006

Major business activity	2010	2009	2008	2007	2006
Products marketed:					
			<i>Thousands</i>		
Bean and pea (dry edible)	1.8	1.7	1.5	1.6	1.6
Cotton	28.2	29.2	32.1	41.5	42.6
Cotton-ginning	25.5	26.0	27.2	26.6	28.5
Dairy	44.2	53.3	61.5	62.1	66.9
Fish	5.4	5.3	5.6	5.8	6.0
Fruit and vegetable	22.2	32.2	23.8	24.8	25.9
Grain and oilseed ¹	414.2	437.3	460.7	451.4	469.8
Livestock	75.4	73.3	76.1	78.2	82.3
Nut	15.2	16.2	15.3	15.4	15.0
Poultry ²	0.5	0.5	0.5	0.5	0.6
Rice	11.6	11.6	11.7	12.1	12.2
Sugar ³	9.4	10.9	10.8	11.5	14.2
Tobacco	65.0	65.1	65.3	66.2	158.6
Wool and mohair	9.6	10.0	10.0	10.1	9.1
Other marketing	6.4	6.5	6.7	6.0	5.7
Total marketing	734.5	779.0	808.8	813.9	938.9
Total supplies	1,470.7	1,451.6	1,508.8	1,604.6	1,608.8
Total services	37.8	32.0	36.2	40.2	48.3
Total	2,242.9	2,262.5	2,353.8	2,458.7	2,596.1

¹ Cooperatives primarily handling grain and oilseed, excluding cottonseed.

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

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

Appendix Table 3—Cooperatives' gross business volume, by type of cooperative, 2010-2006

Major business activity	2010	2009	2008	2007	2006
Products marketed:					
			<i>Billion \$</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.1	0.1
Cotton	2.4	2.4	2.9	2.7	3.2
Dairy	32.5	30.5	40.8	38.4	28.8
Fish	0.2	0.2	0.2	0.2	0.2
Fruit and vegetable	7.7	7.5	7.7	6.9	7.1
Grain and oilseed ¹	41.0	44.3	47.7	29.0	22.3
Livestock	3.6	3.1	3.3	3.4	3.4
Nut	0.9	0.8	0.8	0.8	0.8
Poultry ²	1.2	1.2	1.5	1.4	1.4
Rice	1.5	1.7	1.6	1.1	1.1
Sugar ³	4.9	4.6	4.9	4.9	4.3
Tobacco	0.2	0.2	0.1	0.1	0.2
Other marketing ⁴	4.8	4.8	6.5	5.2	4.8
Total marketing	101.1	101.4	118.2	94.1	77.6
Supplies purchased:					
Crop protectants	8.1	7.7	6.7	3.7	3.5
Feed	10.8	11.1	10.9	8.7	7.4
Fertilizer	11.1	12.2	12.7	7.7	6.8
Petroleum	24.5	23.3	30.6	22.0	20.4
Seed	4.3	3.9	3.5	2.8	2.4
Other supplies	5.1	4.8	6.1	4.9	4.5
Total supplies	63.9	63.0	70.5	49.8	44.9
Services and other income	5.0	4.9	4.7	4.1	4.2
Total	170.1	169.3	193.5	148.0	126.8

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

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

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

⁴ Includes wool and mohair and other marketing.

Appendix Table 4—Cooperatives' net business volume, by type of cooperative 2010-2006

Major business activity	2010	2009	2008	2007	2006
Products marketed:					
			<i>Billion \$</i>		
Bean and pea (dry edible)	0.2	0.2	0.2	0.1	0.1
Cotton	2.3	2.2	2.9	1.4	1.8
Dairy	29.4	27.6	39.1	36.0	27.2
Fish	0.2	0.2	0.2	0.2	0.2
Fruit and vegetable	5.4	5.4	5.4	4.3	5.7
Grain and oilseed ¹	40.4	43.8	46.6	28.5	21.9
Livestock	3.5	3.0	3.2	3.2	3.3
Nut	0.9	0.8	0.8	0.8	0.8
Poultry ²	1.2	1.2	1.5	1.4	1.4
Rice	1.5	1.7	1.6	1.1	1.1
Sugar ³	4.0	3.8	4.1	4.0	3.2
Tobacco	0.2	0.2	0.1	0.1	0.2
Other marketing ⁴	4.5	4.5	6.0	5.0	4.6
Total marketing	93.9	94.6	111.7	86.1	71.5
Supplies purchased:					
Crop protectants	5.7	5.5	4.5	3.2	3.2
Feed	8.6	8.8	9.4	7.5	6.4
Fertilizer	9.4	10.6	10.0	6.9	6.1
Petroleum	16.4	15.8	19.5	14.9	13.7
Seed	2.6	2.5	2.4	1.9	1.5
Other supplies	4.5	4.2	5.4	4.3	3.9
Total supplies	47.2	47.4	51.2	38.6	34.9
Services and other income	5.0	4.9	4.7	4.1	4.2
Total	146.1	146.9	167.6	128.8	110.6

¹ Cooperatives primarily handling grains and oilseeds, excluding cottonseed.

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

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

⁴ Includes wool and mohair and other marketing.

Appendix Table 5—Combined balance sheet data for cooperatives, 2001-2010

Year	Assets from own operations	Investments in other cooperatives ¹	Total assets	Total liabilities	Net worth
<i>Billion dollars</i>					
2001	42.67	5.17	47.84	28.03	19.81
2002	41.14	5.52	46.66	27.48	19.19
2003	42.10	4.05	46.15	26.18	19.98
2004	39.25	4.73	43.97	25.18	18.79
2005	41.06	4.33	45.39	26.40	19.00
2006	44.36	3.66	48.02	28.17	19.85
2007	53.44	4.20	57.64	36.47	21.18
2008	65.61	4.29	69.89	46.77	23.12
2009	57.14	4.04	61.19	37.34	23.84
2010	60.71	4.34	65.05	39.18	25.87
<i>Percent of total assets</i>					
2001	89.2	10.8	100.0	58.6	41.4
2002	88.2	11.8	100.0	58.9	41.1
2003	91.2	8.8	100.0	56.7	43.3
2004	89.2	10.8	100.0	57.3	42.7
2005	90.5	9.5	100.0	58.1	41.9
2006	92.4	7.6	100.0	58.7	41.3
2007	92.7	7.3	100.0	63.3	36.7
2008	93.9	6.1	100.0	66.9	33.1
2009	93.4	6.6	100.0	61.0	39.0
2010	93.3	6.7	100.0	60.2	39.8

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

Appendix table 6—Common size analysis, by cooperative type and size, 2010

Type of cooperative	Artificial insemination		Cotton marketing		Cotton services	
	≥ \$15 million	< \$15 million	≥ \$100 million	< \$100 million		
Cooperative sales size					all sizes	
Balance sheet		<i>Percent of total assets</i>				
Current assets	53.18	66.87	72.39	51.27	56.82	
Other assets	15.33	7.57	4.03	1.41	7.94	
Investments	5.05	12.70	1.86	1.04	10.38	
PP&E ¹ (net)	26.44	12.86	21.72	46.29	24.86	
Total assets	100.00	100.00	100.00	100.00	100.00	
Current liabilities	26.29	19.42	38.40	37.50	43.25	
Total liabilities	37.47	28.59	59.25	61.12	52.40	
Allocated equity	36.44	49.52	27.59	25.54	50.07	
Retained earnings	26.09	21.90	13.16	13.34	-2.47	
Total equity	62.53	71.41	40.75	38.88	47.60	
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	
Income statement		<i>Percent of total sales</i>			<i>Percent of service</i>	
Total sales	100.00	100.00	100.00	100.00		
Cost of goods sold	28.93	33.23	88.04	87.52		
Gross margin	71.07	66.77	11.96	12.48		
Service and other income	20.24	5.14	2.80	1.06	100.00	
Gross revenue	91.31	71.92	14.76	13.54	100.00	
Expenses						
Wages	43.18	44.08	3.87	6.06	26.08	
Depreciation	3.84	2.30	0.89	1.78	4.17	
Interest	0.46	0.00	1.05	0.81	3.96	
Other	40.79	19.69	5.86	4.52	46.05	
Total expenses	88.27	66.07	11.67	13.17	80.26	
Net operating margins	3.04	5.85	3.09	0.37	19.74	
Patronage income	0.27	0.79	0.04	0.24	0.81	
Non-operating income	1.57	1.65	-0.40	0.06	0.40	
Net income before taxes	4.88	8.29	2.72	0.66	20.94	
Taxes	0.81	0.51	-0.01	-0.48	0.03	
Net income	4.07	7.78	2.74	1.14	20.91	
Ratios		<i>Percent or number</i>				
Current	2.02	3.44	1.89	1.37	1.31	
Debt-to-asset	0.37	0.29	0.59	0.61	0.52	
Debt-to-equity	0.60	0.40	1.45	1.57	1.10	
Retained-earnings-to-equity	41.72	30.66	32.30	34.31	-5.18	
Equity-to-assets	62.53	71.41	40.75	38.88	47.60	
Adjusted-equity-to-assets	84.84	88.63	66.15	62.22	83.88	
Return-on-assets	6.89	11.19	9.68	2.16	9.62	
Return-on-member-equity	14.43	21.21	25.41	6.53	16.14	
Extra value index +2	4.77	10.56	9.54	0.93	11.90	
Extra value index +5	2.23	7.90	7.55	-0.93	9.38	
Extra value index +10	-2.02	3.47	4.25	-4.04	5.19	

¹(Property, plant, and equipment)

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Cotton ginning			
	Cooperative sales size ≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	< \$1 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	41.76	33.98	38.25	37.67
Other assets	3.31	3.21	7.66	9.92
Investments	19.36	15.49	10.17	9.72
PP&E ¹ (net)	35.56	47.32	43.92	42.70
Total assets	100.00	100.00	100.00	100.00
Current liabilities	34.52	24.95	26.47	20.11
Total liabilities	48.50	37.26	41.37	31.57
Allocated equity	45.96	51.46	51.69	58.76
Retained earnings	5.54	11.27	6.94	9.67
Total equity	51.50	62.74	58.63	68.43
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	80.65	74.30	81.46	78.13
Gross margin	19.35	25.70	18.54	21.87
Service and other income	32.70	37.02	47.11	58.91
Gross revenue	52.05	62.73	65.65	80.77
Expenses				
Wages	13.22	16.22	19.63	33.89
Depreciation	4.17	5.79	6.33	11.49
Interest	1.08	0.79	1.24	1.16
Other	23.54	30.24	33.32	44.23
Total expenses	42.01	53.03	60.51	90.78
Net operating margins	10.04	9.70	5.14	-10.01
Patronage income	7.68	6.45	7.26	9.00
Non-operating income	1.46	1.30	0.75	2.27
Net income before taxes	19.18	17.44	13.15	1.27
Taxes	0.06	0.07	0.06	-0.18
Net income	19.12	17.37	13.09	1.44
Ratios				
	<i>Percent or number</i>			
Current	1.21	1.36	1.45	1.87
Debt-to-asset	0.48	0.37	0.41	0.32
Debt-to-equity	0.94	0.59	0.71	0.46
Retained-earnings-to-equity	10.76	17.97	11.84	14.13
Equity-to-assets	51.50	62.74	58.63	68.43
Adjusted-equity-to-assets	78.65	83.59	79.73	85.65
Return-on-assets	23.84	18.39	11.72	1.18
Return-on-member-equity	48.94	34.05	20.62	1.19
Extra value index +2	32.16	21.02	12.28	-1.51
Extra value index +5	29.80	18.51	9.88	-4.08
Extra value index +10	25.87	14.33	5.90	-8.36

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Dairy and dairy products				
	Cooperative sales size ≥ \$1 billion	\$500 million to \$1 billion	\$200 to \$500 million	\$50 to \$200 million	\$20 to \$50 million
Balance sheet					
			<i>Percent of total assets</i>		
Current assets	45.56	60.19	66.23	65.87	69.21
Other assets	28.90	6.25	4.76	2.29	2.27
Investments	1.16	1.14	2.73	7.54	13.98
PP&E ¹ (net)	24.37	32.41	26.28	24.30	14.55
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	38.56	43.40	40.44	52.04	57.33
Total liabilities	64.25	57.45	60.22	55.80	64.79
Allocated equity	30.52	38.33	24.87	31.27	28.48
Retained earnings	5.22	4.22	14.92	12.92	6.73
Total equity	35.75	42.55	39.78	44.20	35.21
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
			<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	92.71	87.82	92.07	92.98	93.92
Gross margin	7.29	12.18	7.93	7.02	6.08
Service and other income	0.20	0.42	0.16	0.78	1.45
Gross revenue	7.49	12.60	8.09	7.80	7.52
Expenses					
Wages	3.33	3.39	3.54	2.77	1.54
Depreciation	0.83	0.72	0.79	0.61	0.44
Interest	0.37	0.20	0.23	0.10	0.14
Other	2.34	6.75	2.12	3.65	4.96
Total expenses	6.87	11.06	6.69	7.13	7.08
Net operating margins	0.62	1.54	1.40	0.67	0.45
Patronage income	0.09	0.03	0.09	0.15	0.33
Non-operating income	0.52	0.07	0.48	0.08	0.12
Net income before taxes	1.23	1.63	1.97	0.90	0.89
Taxes	0.03	0.07	0.13	0.03	0.00
Net income	1.20	1.56	1.84	0.88	0.89
Ratios					
			<i>Percent or number</i>		
Current	1.18	1.39	1.64	1.27	1.21
Debt-to-asset	0.64	0.57	0.60	0.56	0.65
Debt-to-equity	1.80	1.35	1.51	1.26	1.84
Retained-earnings-to-equity	14.61	9.92	37.49	29.24	19.12
Equity-to-assets	35.75	42.55	39.78	44.20	35.21
Adjusted-equity-to-assets	58.18	75.18	66.79	92.15	82.50
Return-on-assets	6.01	8.71	9.09	5.60	9.31
Return-on-member-equity	14.73	19.32	30.61	15.70	27.99
Extra value index +2	5.69	10.99	10.92	7.67	16.38
Extra value index +5	3.95	8.73	8.92	4.90	13.91
Extra value index +10	1.04	4.98	5.58	0.29	9.78

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Dairy and dairy products			
	Cooperative sales size \$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	67.76	57.07	66.33	52.55
Other assets	4.57	10.50	5.97	9.16
Investments	11.43	22.96	12.25	18.16
PP&E ¹ (net)	16.24	9.48	15.46	20.13
Total assets	100.00	100.00	100.00	100.00
Current liabilities	55.87	41.85	45.74	38.76
Total liabilities	63.10	43.13	52.23	47.87
Allocated equity	26.74	49.02	35.28	56.47
Retained earnings	10.15	7.86	12.49	-4.34
Total equity	36.90	56.87	47.77	52.13
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	94.38	95.20	91.24	89.82
Gross margin	5.62	4.80	8.76	10.18
Service and other income	1.60	0.96	3.34	3.84
Gross revenue	7.22	5.77	12.11	14.02
Expenses				
Wages	1.99	2.19	3.47	7.03
Depreciation	0.38	0.23	0.54	0.94
Interest	0.20	0.06	0.28	0.69
Other	4.14	3.25	6.55	5.41
Total expenses	6.70	5.73	10.85	14.07
Net operating margins	0.52	0.03	1.26	-0.05
Patronage income	0.49	0.41	0.26	0.41
Non-operating income	0.04	0.65	0.22	0.15
Net income before taxes	1.05	1.09	1.73	0.52
Taxes	0.01	0.01	0.01	0.00
Net income	1.04	1.08	1.72	0.51
Ratios				
	<i>Percent or number</i>			
Current	1.21	1.36	1.45	1.36
Debt-to-asset	0.63	0.43	0.52	0.48
Debt-to-equity	1.71	0.76	1.09	0.92
Retained-earnings-to-equity	27.52	13.82	26.14	-8.32
Equity-to-assets	36.90	56.87	47.77	52.13
Adjusted-equity-to-assets	83.62	97.81	88.03	85.12
Return-on-assets	8.83	6.80	10.65	2.85
Return-on-member-equity	27.60	13.00	25.77	2.15
Extra value index +2	14.40	8.23	14.30	-0.39
Extra value index +5	11.89	5.30	11.66	-2.94
Extra value index +10	7.71	0.41	7.26	-7.20

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Fruit and vegetable (fresh sales only)					
	Cooperative sales size ≥ \$50 million	\$20 to \$50 million	\$10 to \$20 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	55.67	49.86	45.31	51.05	65.99	89.93
Other assets	7.80	3.92	8.39	6.65	11.83	4.16
Investments	3.21	4.36	5.86	6.89	0.00	0.00
PP&E ¹ (net)	33.32	41.87	40.43	35.41	22.18	5.91
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	38.58	38.16	30.63	35.75	42.93	88.46
Total liabilities	63.62	53.13	51.04	53.27	61.40	91.00
Allocated equity	19.36	32.04	31.58	35.15	25.73	6.71
Retained earnings	17.02	14.83	17.38	11.59	12.87	2.28
Total equity	36.38	46.87	48.96	46.73	38.60	9.00
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	79.94	70.58	75.50	79.11	83.83	87.13
Gross margin	20.06	29.42	24.50	20.89	16.17	12.87
Service and other income	1.79	4.78	3.69	6.62	20.73	4.09
Gross revenue	21.85	34.20	28.19	27.51	36.89	16.96
Expenses						
Wages	10.53	13.67	12.06	11.59	15.05	9.86
Depreciation	1.54	2.01	1.63	2.17	2.09	1.19
Interest	0.35	0.48	1.80	0.62	0.86	0.57
Other	7.41	15.42	10.28	12.64	15.46	5.34
Total expenses	19.83	31.58	25.77	27.03	33.46	16.96
Net operating margins	2.02	2.62	2.42	0.49	3.43	0.00
Patronage income	0.06	0.12	0.14	1.02	0.00	0.28
Non-operating income	0.09	0.71	0.94	0.42	0.10	0.37
Net income before taxes	2.17	3.45	3.50	1.93	3.53	0.65
Taxes	0.23	0.13	0.07	0.03	0.05	0.00
Net income	1.94	3.32	3.43	1.90	3.48	0.65
Ratios						
	<i>Percent or number</i>					
Current	1.44	1.31	1.48	1.43	1.54	1.02
Debt-to-asset	0.64	0.53	0.51	0.53	0.61	0.91
Debt-to-equity	1.75	1.13	1.04	1.14	1.59	10.12
Retained-earnings-to-equity	46.79	31.63	35.50	24.80	33.34	25.35
Equity-to-assets	36.38	46.87	48.96	46.73	38.60	9.00
Adjusted-equity-to-assets	59.24	75.80	70.59	72.73	67.63	77.95
Return-on-assets	6.99	9.18	13.94	4.68	5.87	0.69
Return-on-member-equity	27.72	24.19	28.57	9.90	18.14	5.49
Extra value index +2	7.09	10.42	11.04	3.39	6.29	1.02
Extra value index +5	5.31	8.15	8.92	1.21	4.26	-1.32
Extra value index +10	2.35	4.36	5.39	-2.43	0.88	-5.21

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Fruit and vegetable (processed and fresh sales)				
	Cooperative sales size ≥ \$500 million	\$250 to \$500 million	\$50 to \$150 million	\$10 to \$50 million	Less than \$6 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	56.43	67.83	84.43	60.57	94.40
Other assets	13.70	5.77	2.67	1.87	2.29
Investments	1.71	1.65	0.44	17.88	0.41
PP&E ¹ (net)	28.16	24.75	12.45	19.68	2.90
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	35.91	44.36	75.79	45.86	56.50
Total liabilities	71.94	69.90	83.24	53.47	58.60
Allocated equity	26.51	19.23	13.12	24.91	138.69
Retained earnings	1.55	10.87	3.65	21.62	-97.29
Total equity	28.06	30.10	16.76	46.53	41.40
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	74.18	76.70	88.69	70.33	82.65
Gross margin	25.82	23.30	11.31	29.67	17.35
Service and other income	3.35	1.90	1.24	1.84	9.49
Gross revenue	29.17	25.21	12.55	31.51	26.84
Expenses					
Wages	9.42	17.07	4.21	17.23	12.20
Depreciation	2.25	2.31	0.73	1.71	0.86
Interest	0.78	1.36	0.97	1.02	0.63
Other	6.64	3.75	6.89	10.11	15.22
Total expenses	19.09	24.49	12.80	30.08	28.91
Net operating margins	10.09	0.72	-0.25	1.43	-2.07
Patronage income	0.04	0.00	0.05	0.45	0.05
Non-operating income	-0.14	5.29	0.50	0.53	1.59
Net income before taxes	9.98	6.01	0.30	2.42	-0.43
Taxes	0.37	0.62	0.00	-0.16	0.07
Net income	9.61	5.39	0.30	2.57	-0.50
Ratios					
	<i>Percent or number</i>				
Current	1.57	1.53	1.11	1.32	1.67
Debt-to-asset	0.72	0.70	0.83	0.53	0.59
Debt-to-equity	2.56	2.32	4.97	1.15	1.42
Retained-earnings-to-equity	5.54	36.11	21.75	46.47	-235.03
Equity-to-assets	28.06	30.10	16.76	46.53	41.40
Adjusted-equity-to-assets	43.79	54.10	69.24	85.94	95.16
Return-on-assets	19.27	10.56	2.46	5.07	0.09
Return-on-member-equity	64.95	40.13	4.45	15.22	-0.17
Extra value index +2	25.64	12.36	0.48	4.61	-3.19
Extra value index +5	24.33	10.74	-1.59	2.03	-6.04
Extra value index +10	22.14	8.03	-5.06	-2.27	-10.80

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Supply (with 100% supply sales)					
	Cooperative sales size ≥ \$500 million	\$100 to \$400 million	\$50 to \$100 million	\$30 to \$50 million	\$25 to \$30 million	\$20 to \$25 million
Balance sheet						
			<i>Percent of total assets</i>			
Current assets	57.73	62.18	53.82	56.83	55.33	47.89
Other assets	13.39	2.45	1.62	3.39	3.77	2.57
Investments	11.00	11.28	20.28	18.01	19.05	21.79
PP&E ¹ (net)	17.88	24.09	24.28	21.76	21.84	27.75
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	37.75	43.47	33.69	39.51	41.90	34.79
Total liabilities	56.84	58.59	43.82	47.38	51.41	46.64
Allocated equity	20.45	26.03	30.76	28.24	29.27	31.35
Retained earnings	22.72	15.38	25.42	24.38	19.32	22.02
Total equity	43.16	41.41	56.18	52.62	48.59	53.36
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	92.77	87.27	86.27	85.02	85.84	83.81
Gross margin	7.23	12.73	13.73	14.98	14.16	16.19
Service and other income	0.22	1.97	2.29	2.15	2.78	1.77
Gross revenue	7.45	14.71	16.02	17.13	16.94	17.96
Expenses						
Wages	3.48	6.09	6.95	7.79	8.09	9.07
Depreciation	0.79	1.31	1.33	1.42	1.55	1.62
Interest	0.34	0.57	0.35	0.47	0.60	0.69
Other	1.69	4.77	5.03	5.48	5.74	6.11
Total expenses	6.30	12.73	13.65	15.16	15.98	17.49
Net operating margins	1.15	1.98	2.37	1.96	0.97	0.47
Patronage income	0.24	1.30	1.73	1.87	1.95	1.83
Non-operating income	0.30	0.30	0.36	1.23	0.41	0.37
Net income before taxes	1.69	3.59	4.45	5.06	3.33	2.67
Taxes	0.16	0.60	0.83	0.60	0.33	0.28
Net income	1.53	2.99	3.62	4.46	3.00	2.39
Ratios						
			<i>Percent or number</i>			
Current	1.53	1.43	1.60	1.44	1.32	1.38
Debt-to-asset	0.57	0.59	0.44	0.47	0.51	0.47
Debt-to-equity	1.32	1.41	0.78	0.90	1.06	0.87
Retained-earnings-to-equity	52.63	37.15	45.24	46.34	39.76	41.26
Equity-to-assets	43.16	41.41	56.18	52.62	48.59	53.36
Adjusted-equity-to-assets	69.34	73.27	84.72	86.99	83.63	81.83
Return-on-assets	6.28	8.81	11.22	10.98	7.01	7.07
Return-on-member-equity	23.22	24.35	27.48	31.35	18.26	16.07
Extra value index +2	5.70	9.17	10.39	12.21	6.87	5.45
Extra value index +5	3.62	6.97	7.85	9.60	4.36	2.99
Extra value index +10	0.15	3.31	3.61	5.25	0.18	-1.10

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Supply (with 100% supply sales)					
	Cooperative sales size	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
		<i>Percent of total assets</i>				
Current assets	49.59	51.25	58.03	58.35	64.18	
Other assets	7.01	2.82	3.75	6.08	9.65	
Investments	19.55	23.26	16.79	15.17	6.59	
PP&E ¹ (net)	23.85	22.67	21.43	20.40	19.58	
Total assets	100.00	100.00	100.00	100.00	100.00	
Current liabilities	32.11	32.78	31.09	31.01	33.78	
Total liabilities	40.61	38.47	36.65	39.62	42.32	
Allocated equity	32.47	40.29	39.66	39.74	34.71	
Retained earnings	26.92	21.24	23.69	20.64	22.96	
Total equity	59.39	61.53	63.35	60.38	57.68	
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	
Income statement						
		<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00	
Cost of goods sold	85.03	86.19	84.64	84.72	84.99	
Gross margin	14.97	13.81	15.36	15.28	15.01	
Service and other income	4.98	2.40	2.27	3.38	8.92	
Gross revenue	19.95	16.20	17.63	18.66	23.93	
Expenses						
Wages	8.76	8.24	9.46	10.42	15.74	
Depreciation	1.98	1.48	1.38	1.45	1.18	
Interest	0.43	0.50	0.47	0.61	0.73	
Other	6.64	5.07	5.13	5.58	6.16	
Total expenses	17.81	15.29	16.43	18.06	23.80	
Net operating margins	2.14	0.91	1.20	0.60	0.13	
Patronage income	1.97	2.19	1.26	1.21	0.28	
Non-operating income	2.82	0.45	0.44	0.39	0.19	
Net income before taxes	6.92	3.55	2.90	2.20	0.60	
Taxes	0.96	0.37	0.25	0.14	0.04	
Net income	5.96	3.17	2.65	2.07	0.55	
Ratios						
		<i>Percent or number</i>				
Current	1.54	1.56	1.87	1.88	1.90	
Debt-to-asset	0.41	0.38	0.37	0.40	0.42	
Debt-to-equity	0.68	0.63	0.58	0.66	0.73	
Retained-earnings-to-equity	45.33	34.52	37.40	34.19	39.81	
Equity-to-assets	59.39	61.53	63.35	60.38	57.68	
Adjusted-equity-to-assets	87.49	91.53	91.93	87.52	87.10	
Return-on-assets	11.98	8.33	6.69	5.03	2.17	
Return-on-member-equity	29.92	16.21	13.27	9.31	2.62	
Extra value index +2	11.87	7.17	5.07	2.93	-1.06	
Extra value index +5	9.25	4.42	2.32	0.30	-3.67	
Extra value index +10	4.88	-0.16	-2.28	-4.08	-8.02	

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$200 to \$850 million	\$100 to \$200 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet	<i>Percent of total assets</i>			
Current assets	64.62	56.96	59.56	57.36
Other assets	1.97	3.01	2.67	3.39
Investments	12.91	17.02	15.67	16.60
PP&E ¹ (net)	20.50	23.00	22.09	22.66
Total assets	100.00	100.00	100.00	100.00
Current liabilities	48.56	42.56	43.75	40.35
Total liabilities	63.98	56.03	55.49	47.29
Allocated equity	18.92	18.64	24.32	35.06
Retained earnings	17.10	25.33	20.19	17.65
Total equity	36.02	43.97	44.51	52.71
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	90.06	89.66	87.28	87.43
Gross margin	9.94	10.34	12.72	12.57
Service and other income	3.38	3.56	3.51	3.08
Gross revenue	13.32	13.90	16.23	15.65
Expenses				
Wages	5.99	6.31	7.05	7.18
Depreciation	1.35	1.40	1.54	1.67
Interest	0.56	0.54	0.62	0.54
Other	4.30	4.89	5.43	5.12
Total expenses	12.20	13.15	14.65	14.50
Net operating margins	1.12	0.75	1.58	1.14
Patronage income	0.92	1.70	1.49	1.43
Non-operating income	0.92	0.44	0.44	0.66
Net income before taxes	2.96	2.89	3.51	3.24
Taxes	0.32	0.41	0.32	0.26
Net income	2.64	2.48	3.19	2.98
Ratios	<i>Percent or number</i>			
Current	1.33	1.34	1.36	1.42
Debt-to-asset	0.64	0.56	0.55	0.47
Debt-to-equity	1.78	1.27	1.25	0.90
Retained-earnings-to-equity	47.48	57.61	45.37	33.49
Equity-to-assets	36.02	43.97	44.51	52.71
Adjusted-equity-to-assets	70.02	76.56	79.13	88.37
Return-on-assets	7.83	7.98	8.69	6.93
Return-on-member-equity	31.00	30.95	27.63	15.55
Extra value index +2	9.45	7.91	9.74	6.68
Extra value index +5	7.35	5.62	7.37	4.03
Extra value index +10	3.85	1.79	3.41	-0.39

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Mixed supply (with 99% to 50% supply sales)			
	Cooperative sales size \$20 to \$30 million	\$10 to \$20 million	\$5 to \$10 million	Less than \$5 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	54.96	57.49	52.83	49.52
Other assets	4.10	5.64	5.67	11.45
Investments	15.41	15.51	14.00	11.10
PP&E ¹ (net)	25.53	21.36	27.50	27.93
Total assets	100.00	100.00	100.00	100.00
Current liabilities	34.23	40.65	28.00	34.18
Total liabilities	44.49	46.98	35.84	43.60
Allocated equity	32.34	32.48	36.98	39.63
Retained earnings	23.17	20.55	27.17	16.77
Total equity	55.51	53.02	64.16	56.40
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	87.59	87.44	87.38	85.04
Gross margin	12.41	12.56	12.62	14.96
Service and other income	4.29	5.34	6.69	6.60
Gross revenue	16.70	17.90	19.31	21.56
Expenses				
Wages	7.99	8.35	8.61	10.91
Depreciation	1.52	1.78	1.77	1.67
Interest	0.56	0.48	0.51	0.84
Other	5.39	5.71	6.70	7.48
Total expenses	15.46	16.32	17.60	20.90
Net operating margins	1.24	1.58	1.71	0.65
Patronage income	1.24	1.43	1.13	0.62
Non-operating income	0.81	0.86	1.14	0.54
Net income before taxes	3.29	3.86	3.98	1.82
Taxes	0.25	0.27	0.28	0.18
Net income	3.04	3.60	3.70	1.64
Ratios				
	<i>Percent or number</i>			
Current	1.61	1.41	1.89	1.45
Debt-to-asset	0.44	0.47	0.36	0.44
Debt-to-equity	0.80	0.89	0.56	0.77
Retained-earnings-to-equity	41.74	38.75	42.35	29.74
Equity-to-assets	55.51	53.02	64.16	56.40
Adjusted-equity-to-assets	84.39	89.34	89.11	85.69
Return-on-assets	7.95	7.42	9.00	4.10
Return-on-member-equity	19.41	18.91	20.02	6.39
Extra value index +2	7.19	7.86	7.80	1.46
Extra value index +5	4.66	5.18	5.13	-1.11
Extra value index +10	0.44	0.71	0.67	-5.39

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)**Type of cooperative Mixed grain and oilseed marketing (with 49% to 25% supply sales)**

Cooperative sales size	≥ \$225 million	\$100 to \$225 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	60.05	63.33	67.31	69.68
Other assets	2.19	9.57	1.63	2.26
Investments	12.27	9.24	9.80	9.32
PP&E ¹ (net)	25.49	17.86	21.26	18.74
Total assets	100.00	100.00	100.00	100.00
Current liabilities	43.11	50.33	54.80	56.90
Total liabilities	60.18	66.04	65.58	64.47
Allocated equity	17.53	17.32	19.82	23.34
Retained earnings	22.30	16.64	14.60	12.20
Total equity	39.82	33.96	34.42	35.53
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	92.53	91.72	92.07	92.25
Gross margin	7.47	8.28	7.93	7.75
Service and other income	4.47	5.08	3.75	3.48
Gross revenue	11.94	13.36	11.68	11.23
Expenses				
Wages	3.82	4.82	4.25	4.21
Depreciation	1.35	1.16	1.19	1.26
Interest	0.58	0.68	0.48	0.54
Other	4.24	4.46	3.66	3.56
Total expenses	9.98	11.12	9.57	9.58
Net operating margins	1.96	2.25	2.11	1.66
Patronage income	0.65	0.84	0.75	0.86
Non-operating income	0.19	0.11	0.12	0.43
Net income before taxes	2.80	3.19	2.98	2.95
Taxes	0.17	0.27	0.23	0.11
Net income	2.63	2.92	2.76	2.84
Ratios				
	<i>Percent or number</i>			
Current	1.39	1.26	1.23	1.22
Debt-to-asset	0.60	0.66	0.66	0.64
Debt-to-equity	1.51	1.94	1.91	1.81
Retained-earnings-to-equity	55.99	48.99	42.41	34.32
Equity-to-assets	39.82	33.96	34.42	35.53
Adjusted-equity-to-assets	70.00	68.37	76.14	82.43
Return-on-assets	8.56	7.41	7.83	7.28
Return-on-member-equity	38.01	32.33	31.50	25.36
Extra value index +2	9.76	9.37	11.69	11.43
Extra value index +5	7.66	7.32	9.41	8.96
Extra value index +10	4.16	3.90	5.60	4.84

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Mixed grain and oilseed marketing (with 49% to 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	70.67	64.48	66.94	70.66	61.25
Other assets	3.18	2.63	4.67	4.00	10.29
Investments	7.93	8.99	4.82	6.86	5.03
PP&E ¹ (net)	18.22	23.89	23.57	18.48	23.42
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	55.28	46.39	51.70	49.34	37.52
Total liabilities	61.26	56.95	58.02	55.72	47.09
Allocated equity	22.24	21.66	23.42	23.10	34.83
Retained earnings	16.49	21.39	18.56	21.18	18.08
Total equity	38.74	43.05	41.98	44.28	52.91
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	91.33	92.48	91.77	91.57	90.42
Gross margin	8.67	7.52	8.23	8.43	9.58
Service and other income	3.74	3.99	3.94	4.07	5.30
Gross revenue	12.41	11.51	12.17	12.49	14.87
Expenses					
Wages	4.53	4.56	4.84	4.94	7.02
Depreciation	1.28	1.22	1.32	1.36	1.43
Interest	0.49	0.44	0.47	0.55	0.57
Other	3.80	3.73	3.87	4.29	4.83
Total expenses	10.09	9.96	10.50	11.14	13.85
Net operating margins	2.31	1.55	1.67	1.35	1.02
Patronage income	0.66	0.40	0.39	0.39	0.10
Non-operating income	0.16	0.23	0.44	0.23	0.21
Net income before taxes	3.13	2.18	2.51	1.96	1.33
Taxes	0.22	0.00	0.07	0.01	0.04
Net income	2.90	2.18	2.44	1.96	1.29
Ratios					
	<i>Percent or number</i>				
Current	1.28	1.39	1.29	1.43	1.63
Debt-to-asset	0.61	0.57	0.58	0.56	0.47
Debt-to-equity	1.58	1.32	1.38	1.26	0.89
Retain'd-earnings-to-equity	42.58	49.69	44.21	47.84	34.17
Equity-to-assets	38.74	43.05	41.98	44.28	52.91
Adjusted-equity-to-assets	86.62	80.30	86.92	87.40	84.69
Return-on-assets	7.92	6.99	6.88	5.21	3.70
Return-on-member-equity	28.60	26.78	24.09	17.57	7.20
Extra value index +2	11.81	8.58	9.26	5.57	1.65
Extra value index +5	9.21	6.17	6.65	2.95	-0.89
Extra value index +10	4.88	2.16	2.30	-1.42	-5.12

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)**Type of cooperative Grain and oilseed marketing (with less than 25% supply sales)**

Cooperative sales size	≥\$300 million	\$100 to \$300 million	\$50 to \$100 million	\$30 to \$50 million
Balance sheet				
	<i>Percent of total assets</i>			
Current assets	63.95	70.19	70.11	63.16
Other assets	3.48	3.81	1.33	2.55
Investments	9.13	6.91	6.57	6.11
PP&E ¹ (net)	23.44	19.09	21.98	28.17
Total assets	100.00	100.00	100.00	100.00
Current liabilities	46.36	56.76	53.99	48.16
Total liabilities	62.38	66.84	64.25	60.65
Allocated equity	18.77	16.65	20.11	20.39
Retained earnings	18.85	16.51	15.64	18.96
Total equity	37.62	33.16	35.75	39.35
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
	<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	91.26	94.36	93.26	94.71
Gross margin	8.74	5.64	6.74	5.29
Service and other income	3.61	3.17	3.23	3.97
Gross revenue	12.35	8.81	9.97	9.26
Expenses				
Wages	4.83	2.67	2.98	2.45
Depreciation	0.89	0.85	0.99	1.02
Interest	0.74	0.41	0.50	0.36
Other	4.27	2.69	2.92	3.12
Total expenses	10.74	6.61	7.39	6.96
Net operating margins	1.61	2.20	2.58	2.30
Patronage income	0.53	0.49	0.50	0.24
Non-operating income	0.34	0.30	0.19	-0.20
Net income before taxes	2.48	2.99	3.28	2.34
Taxes	0.20	0.20	0.26	0.15
Net income	2.28	2.78	3.02	2.20
Ratios				
	<i>Percent or number</i>			
Current	1.38	1.24	1.30	1.31
Debt-to-asset	0.62	0.67	0.64	0.61
Debt-to-equity	1.66	2.02	1.80	1.54
Retain'd-earnings-to-equity	50.11	49.79	43.74	48.18
Equity-to-assets	37.62	33.16	35.75	39.35
Adjusted-equity-to-assets	70.14	76.69	77.69	75.91
Return-on-assets	9.08	8.35	9.33	7.58
Return-on-member-equity	34.19	41.13	37.15	30.16
Extra value index +2	10.01	13.70	14.08	9.75
Extra value index +5	7.90	11.40	11.74	7.47
Extra value index +10	4.40	7.57	7.86	3.68

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Grain and oilseed marketing (with less than 25% supply sales)				
Cooperative sales size	\$20 to \$30 million	\$15 to \$20 million	\$10 to \$15 million	\$5 to \$10 million	Less than \$5 million
Balance sheet					
	<i>Percent of total assets</i>				
Current assets	67.28	73.24	74.60	61.47	66.73
Other assets	1.89	1.93	0.38	6.45	6.20
Investments	5.47	6.37	5.38	6.44	2.65
PP&E ¹ (net)	25.36	18.46	19.65	25.63	24.42
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	51.94	55.76	53.46	40.96	45.12
Total liabilities	62.62	62.86	60.04	53.89	55.44
Allocated equity	17.77	19.79	21.15	22.98	30.11
Retained earnings	19.61	17.36	18.80	23.12	14.44
Total equity	37.38	37.14	39.96	46.11	44.56
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement					
	<i>Percent of total sales</i>				
Total sales	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	94.28	93.86	93.80	94.40	91.12
Gross margin	5.72	6.14	6.20	5.60	8.88
Service and other income	3.73	3.14	3.53	3.86	6.44
Gross revenue	9.45	9.28	9.73	9.46	15.32
Expenses					
Wages	2.75	2.88	2.91	3.02	5.56
Depreciation	1.01	1.05	0.91	0.92	1.30
Interest	0.57	0.49	0.40	0.35	0.70
Other	2.73	2.82	3.49	3.20	6.16
Total expenses	7.06	7.23	7.70	7.49	13.73
Net operating margins	2.39	2.05	2.03	1.97	1.60
Patronage income	0.45	0.37	0.41	0.54	0.36
Non-operating income	0.21	0.24	0.47	0.05	0.05
Net income before taxes	3.06	2.66	2.91	2.56	2.01
Taxes	0.30	0.21	0.11	0.12	0.03
Net income	2.75	2.45	2.80	2.43	1.98
Ratios					
	<i>Percent or number</i>				
Current	1.30	1.31	1.40	1.50	1.48
Debt-to-asset	0.63	0.63	0.60	0.54	0.55
Debt-to-equity	1.68	1.69	1.50	1.17	1.24
Retained-earnings-to-equity	52.47	46.73	47.06	50.15	32.42
Equity-to-assets	37.38	37.14	39.96	46.11	44.56
Adjusted-equity-to-assets	77.79	83.96	85.84	78.09	81.20
Return-on-assets	9.27	7.34	7.76	8.48	6.04
Return-on-member-equity	39.65	28.86	31.05	30.93	14.65
Extra value index +2	12.49	10.57	11.72	9.86	5.78
Extra value index +5	10.16	8.05	9.14	7.52	3.34
Extra value index +10	6.27	3.85	4.85	3.62	-0.72

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Fish marketing				Poultry marketing	
Cooperative sales size	≥ \$10 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million	≥ \$50 million	< \$50 million
Balance sheet			<i>Percent of total assets</i>			
Current assets	63.30	42.58	46.62	45.34	64.89	58.95
Other assets	11.75	0.07	11.61	0.17	1.06	16.56
Investments	0.05	0.00	0.00	0.00	1.40	0.00
PP&E ¹ (net)	24.90	57.35	41.78	54.48	32.65	24.49
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	52.13	26.91	43.86	34.97	34.23	37.35
Total liabilities	59.27	71.09	66.94	60.90	51.90	46.62
Allocated equity	27.17	21.25	20.75	38.65	19.99	25.20
Retained earnings	13.56	7.66	12.31	0.45	28.11	28.18
Total equity	40.73	28.91	33.06	39.10	48.10	53.38
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of total sales</i>			
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	77.97	76.22	82.32	86.76	88.15	74.49
Gross margin	22.03	23.78	17.68	13.24	11.85	25.51
Service and other income	2.26	5.83	0.49	3.31	0.00	2.83
Gross revenue	24.29	29.60	18.17	16.54	11.85	28.34
Expenses						
Wages	12.89	8.98	6.39	7.73	6.89	15.84
Depreciation	1.30	2.60	0.89	0.95	1.16	1.47
Interest	0.61	0.89	0.47	0.50	0.49	0.43
Other	7.99	16.70	8.73	7.41	3.08	8.32
Total expenses	22.79	29.17	16.48	16.58	11.62	26.05
Net operating margins	1.50	0.43	1.69	-0.04	0.23	2.28
Patronage income	0.00	0.02	0.03	0.10	0.03	0.00
Non-operating income	0.42	0.05	0.09	0.00	0.32	0.03
Net income before taxes	1.92	0.50	1.80	0.05	0.58	2.31
Taxes	-0.03	0.03	0.02	0.00	-0.20	0.05
Net income	1.95	0.47	1.78	0.05	0.78	2.27
Ratios			<i>Percent or number</i>			
Current	1.21	1.58	1.06	1.30	1.90	1.58
Debt-to-asset	0.59	0.71	0.67	0.61	0.52	0.47
Debt-to-equity	1.46	2.46	2.02	1.56	1.08	0.87
Retained-earnings-to-equity	33.30	26.49	37.22	1.14	58.45	52.79
Equity-to-assets	40.73	28.91	33.06	39.10	48.10	53.38
Adjusted-equity-to-assets	85.09	39.56	58.89	60.13	73.13	85.20
Return-on-assets	6.57	3.34	15.77	1.32	3.58	4.36
Return-on-member-equity	18.59	5.29	59.77	0.33	13.04	14.29
Extra value index +2	8.18	0.44	20.45	-1.48	1.93	3.37
Extra value index +5	5.63	-0.75	18.69	-3.28	-0.27	0.82
Extra value index +10	1.37	-2.73	15.74	-6.29	-3.92	-3.44

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Livestock marketing					
	Cooperative sales size ≥ \$250 million	\$50 to \$75 million	\$10 to \$50 million	\$5 to \$10 million	\$1 to \$5 million	Less than \$1 million
Balance sheet						
	<i>Percent of total assets</i>					
Current assets	87.29	89.07	56.71	65.42	49.63	63.33
Other assets	0.69	2.46	15.73	12.54	23.23	14.19
Investments	4.37	1.52	0.00	0.00	2.05	0.00
PP&E ¹ (net)	7.66	6.95	27.56	22.04	25.09	22.48
Total assets	100.00	100.00	100.00	100.00	100.00	100.00
Current liabilities	74.22	71.25	48.23	41.55	46.67	48.55
Total liabilities	82.45	79.22	63.08	49.90	52.70	58.40
Allocated equity	9.26	15.37	69.73	37.38	21.73	33.00
Retained earnings	8.29	5.41	-32.81	12.71	25.56	8.60
Total equity	17.55	20.78	36.92	50.10	47.30	41.60
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00	100.00
Income statement						
	<i>Percent of total sales</i>					
Total sales	100.00	100.00	100.00	100.00	100.00	100.00
Cost of goods sold	99.32	98.19	93.38	94.61	92.08	89.99
Gross margin	0.68	1.81	6.62	5.39	7.92	10.01
Service and other income	0.96	3.04	7.12	2.55	3.59	29.57
Gross revenue	1.63	4.85	13.74	7.93	11.51	39.57
Expenses						
Wages	0.84	1.84	5.88	2.64	3.67	10.43
Depreciation	0.06	0.38	1.33	0.77	0.81	0.98
Interest	0.09	0.62	0.85	0.38	0.38	0.48
Other	0.56	1.33	5.00	3.78	5.66	27.28
Total expenses	1.55	4.16	13.05	7.57	10.52	39.16
Net operating margins	0.09	0.69	0.68	0.37	0.99	0.41
Patronage income	0.02	0.03	0.00	0.00	0.00	0.00
Non-operating income	0.02	0.09	0.00	0.07	0.00	0.42
Net income before taxes	0.12	0.81	0.68	0.44	0.99	0.83
Taxes	0.00	0.15	0.00	0.00	0.00	0.00
Net income	0.12	0.66	0.68	0.44	0.99	0.83
Ratios						
	<i>Percent or number</i>					
Current	1.18	1.25	1.18	1.57	1.06	1.30
Debt-to-asset	0.82	0.79	0.63	0.50	0.53	0.58
Debt-to-equity	4.70	3.81	1.71	1.00	1.11	1.40
Retained-earnings-to-equity	47.24	26.05	-88.87	25.38	54.05	20.67
Equity-to-assets	17.55	20.78	36.92	50.10	47.30	41.60
Adjusted-equity-to-assets	68.05	72.27	71.32	85.71	88.68	80.85
Return-on-assets	2.73	2.76	3.74	7.15	6.85	1.18
Return-on-member-equity	16.72	8.29	2.39	10.27	22.67	2.25
Extra value index +2	4.11	2.42	1.24	4.18	6.77	-0.81
Extra value index +5	2.06	0.25	-0.90	1.61	4.11	-3.23
Extra value index +10	-1.34	-3.36	-4.47	-2.68	-0.33	-7.28

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Dry bean and pea marketing	Nut marketing		Biofuels
Cooperative sales size	All sizes	≥ \$10 million	< \$10 million	All sizes
Balance sheet				
		<i>Percent of total assets</i>		
Current assets	77.14	57.74	41.62	27.43
Other assets	1.70	3.41	2.60	6.15
Investments	4.35	2.08	0.27	2.96
PP&E ¹ (net)	16.81	36.77	55.52	63.47
Total assets	100.00	100.00	100.00	100.00
Current liabilities	65.26	43.75	34.57	26.08
Total liabilities	70.15	71.64	62.53	35.56
Allocated equity	24.66	18.80	31.94	42.67
Retained earnings	5.19	9.56	5.53	21.77
Total equity	29.85	28.36	37.47	64.44
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement				
		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	86.90	88.68	68.29	83.46
Gross margin	13.10	11.32	31.71	16.54
Service and other income	1.64	0.84	25.13	1.11
Gross revenue	14.75	12.16	56.84	17.65
Expenses				
Wages	5.36	5.28	19.12	3.27
Depreciation	1.42	1.29	9.33	4.65
Interest	0.46	0.73	2.25	0.94
Other	3.76	2.66	22.06	5.98
Total expenses	11.01	9.95	52.76	14.85
Net operating margins	3.74	2.20	4.08	2.80
Patronage income	0.36	0.00	0.04	0.02
Non-operating income	0.39	0.31	0.29	2.79
Net income before taxes	4.48	2.52	4.41	5.60
Taxes	0.25	0.00	0.11	0.36
Net income	4.23	2.52	4.31	5.24
Ratios				
		<i>Percent or number</i>		
Current	1.18	1.32	1.20	1.05
Debt-to-asset	0.70	0.72	0.63	0.36
Debt-to-equity	2.35	2.53	1.67	0.55
Retain'd-earnings-to-equity	17.38	33.72	14.77	33.79
Equity-to-assets	29.85	28.36	37.47	64.44
Adjusted-equity-to-assets	85.91	50.42	57.27	87.18
Return-on-assets	7.76	15.70	4.62	9.71
Return-on-member-equity	26.95	64.74	9.36	18.22
Extra value index +2	16.73	20.23	2.97	8.09
Extra value index +5	14.16	18.72	1.26	5.47
Extra value index +10	9.86	16.20	-1.61	1.11

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Rice marketing		Tobacco marketing	Wool marketing
Cooperative sales size	≥ \$50 million	< \$20 million	All sizes	All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	61.69	45.33	46.87	44.85
Other assets	5.82	38.35	43.85	38.23
Investments	1.34	2.90	0.00	0.00
PP&E ¹ (net)	31.15	13.42	9.28	16.92
Total assets	100.00	100.00	100.00	100.00
Current liabilities	31.08	20.79	25.19	21.94
Total liabilities	58.83	40.53	26.81	42.07
Allocated equity	25.69	41.10	50.23	28.37
Retained earnings	15.48	18.38	22.96	29.56
Total equity	41.17	59.47	73.19	57.93
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	76.58	95.09	90.79	78.50
Gross margin	23.42	4.91	9.21	21.50
Service and other income	1.11	13.99	4.22	3.43
Gross revenue	24.53	18.90	13.43	24.93
Expenses				
Wages	9.69	2.90	5.52	6.44
Depreciation	1.93	0.32	1.65	0.72
Interest	0.72	0.11	0.63	0.04
Other	11.48	5.09	2.62	17.02
Total expenses	23.81	8.43	10.42	24.21
Net operating margins	0.72	10.47	3.01	0.71
Patronage income	0.04	0.02	0.00	0.00
Non-operating income	-0.45	0.05	0.09	0.00
Net income before taxes	0.30	10.55	3.10	0.72
Taxes	0.30	3.12	0.13	0.00
Net income	0.00	7.43	2.97	0.72
Ratios		<i>Percent or number</i>		
Current	1.98	2.18	1.86	2.04
Debt-to-asset	0.59	0.41	0.27	0.42
Debt-to-equity	1.43	0.68	0.37	0.73
Retained-earnings-to-equity	37.60	30.90	31.37	51.02
Equity-to-assets	41.17	59.47	73.19	57.93
Adjusted-equity-to-assets	59.75	75.09	97.84	74.21
Return-on-assets	2.57	50.41	1.71	0.56
Return-on-member-equity	0.01	85.48	2.72	1.89
Extra value index +2	-1.66	42.26	-0.90	-1.38
Extra value index +5	-3.45	40.01	-3.84	-3.61
Extra value index +10	-6.44	36.25	-8.73	-7.32

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Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Sugar marketing			
	Cooperative sales size ≥ \$300 million	\$100 to \$300 million	\$30 to \$100 million	Less than \$20 million
Balance sheet		<i>Percent of total assets</i>		
Current assets	38.35	38.88	24.24	81.73
Other assets	19.42	2.23	2.73	7.33
Investments	0.64	29.08	3.84	0.00
PP&E ¹ (net)	41.60	29.81	69.19	10.94
Total assets	100.00	100.00	100.00	100.00
Current liabilities	32.55	31.70	17.96	24.15
Total liabilities	64.92	49.34	38.25	39.07
Allocated equity	46.24	46.21	54.96	30.99
Retained earnings	-11.16	4.45	6.79	29.94
Total equity	35.08	50.66	61.75	60.93
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of total sales</i>		
Total sales	100.00	100.00	100.00	100.00
Cost of goods sold	80.30	82.32	65.48	96.51
Gross margin	19.70	17.68	34.52	3.49
Service and other income	1.92	0.16	0.08	2.21
Gross revenue	21.62	17.84	34.60	5.70
Expenses				
Wages	10.11	7.79	12.52	0.30
Depreciation	3.09	2.40	3.11	0.04
Interest	0.94	0.75	1.14	0.02
Other	4.08	6.66	18.23	4.91
Total expenses	18.21	17.60	35.00	5.27
Net operating margins	3.42	0.24	-0.40	0.42
Patronage income	0.03	0.08	0.13	0.00
Non-operating income	-0.55	1.42	0.38	0.02
Net income before taxes	2.90	1.74	0.11	0.45
Taxes	0.11	0.40	-0.04	0.00
Net income	2.78	1.34	0.16	0.45
Ratios		<i>Percent or number</i>		
Current	1.18	1.23	1.35	3.38
Debt-to-asset	0.65	0.49	0.38	0.39
Debt-to-equity	1.85	0.97	0.62	0.64
Retained-earnings-to-equity	-31.81	8.78	11.00	49.14
Equity-to-assets	35.08	50.66	61.75	60.93
Adjusted-equity-to-assets	52.01	74.17	75.26	80.34
Return-on-assets	6.25	3.78	1.68	12.33
Return-on-member-equity	9.81	4.40	0.38	38.24
Extra value index +2	5.28	0.91	-1.84	13.39
Extra value index +5	3.72	-1.32	-4.10	10.98
Extra value index +10	1.12	-5.03	-7.86	6.96

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Rice drier	Transportation		Storage
Cooperative sales size		≥ \$1 million	< \$ 1 million	
	All sizes			All sizes
Balance sheet		<i>Percent of total assets</i>		
Current assets	46.12	47.39	49.31	63.28
Other assets	2.22	1.74	0.55	1.46
Investments	0.14	2.31	3.53	0.00
PP&E ¹ (net)	51.52	48.56	46.61	35.26
Total assets	100.00	100.00	100.00	100.00
Current liabilities	30.43	26.10	9.68	22.30
Total liabilities	49.52	29.94	10.77	27.20
Allocated equity	45.71	54.39	83.64	70.14
Retained earnings	4.77	15.67	5.59	2.66
Total equity	50.48	70.06	89.23	72.80
Total equity and liabilities	100.00	100.00	100.00	100.00
Income statement		<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00
Expenses				
Wages	22.02	31.94	39.63	14.35
Depreciation	5.73	8.50	9.91	6.74
Interest	2.91	0.28	0.05	0.03
Other	33.67	57.65	35.75	25.66
Total expenses	64.32	98.38	85.35	46.78
Net operating margins	35.68	1.62	14.65	53.22
Patronage income	0.02	0.26	0.36	0.00
Non-operating income	0.24	0.34	0.43	2.01
Net income before taxes	35.93	2.23	15.45	55.23
Taxes	0.01	0.05	0.02	0.19
Net income	35.92	2.18	15.43	55.04
Ratios		<i>Percent or number</i>		
Current	1.52	1.82	5.09	2.84
Debt-to-asset	0.50	0.30	0.11	0.27
Debt-to-equity	0.98	0.43	0.12	0.37
Retained-earnings-to-equity	9.44	22.36	6.26	3.65
Equity-to-assets	50.48	70.06	89.23	72.80
Adjusted-equity-to-assets	72.57	94.80	98.79	93.69
Return-on-assets	22.05	6.35	12.92	36.08
Return-on-member-equity	44.60	10.14	15.38	51.24
Extra value index +2	27.28	4.82	11.49	43.65
Extra value index +5	25.11	1.97	8.52	40.84
Extra value index +10	21.48	-2.77	3.58	36.15

Appendix table 6—Common size analysis, by cooperative type and size, 2010 (continued)

Type of cooperative	Hulling	Dairy Service	Livestock Service	Fresh Fruit & Veg. Service	Farmer Markets
Cooperative sales size	All sizes	All sizes	All sizes	All sizes	All sizes
Balance sheet			<i>Percent of total assets</i>		
Current assets	34.25	75.88	47.44	64.03	23.39
Other assets	1.40	5.35	24.64	6.63	5.83
Investments	0.21	10.85	0.00	9.86	0.03
PP&E ¹ (net)	64.14	7.92	27.92	19.48	70.74
Total assets	100.00	100.00	100.00	100.00	100.00
Current liabilities	21.97	5.29	20.45	39.26	16.44
Total liabilities	40.92	8.55	24.18	58.02	42.36
Allocated equity	54.25	91.45	57.06	32.11	15.44
Retained earnings	4.83	0.00	18.75	9.86	42.19
Total equity	59.08	91.45	75.82	41.98	57.64
Total equity and liabilities	100.00	100.00	100.00	100.00	100.00
Income statement			<i>Percent of service</i>		
Service and other income	100.00	100.00	100.00	100.00	100.00
Gross revenue	100.00	100.00	100.00	100.00	100.00
Expenses					
Wages	24.59	33.57	20.31	21.00	24.51
Depreciation	11.02	2.37	1.87	2.47	6.10
Interest	2.50	0.06	0.54	0.81	3.95
Other	28.86	67.45	76.49	67.99	62.31
Total expenses	66.97	103.45	99.21	92.27	96.88
Net operating margins	33.03	-3.45	0.79	7.73	3.12
Patronage income	0.00	5.33	0.00	0.61	0.80
Non-operating income	0.94	2.51	0.30	2.10	3.47
Net income before taxes	33.97	4.39	1.09	10.44	7.39
Taxes	1.40	1.81	0.01	0.18	0.80
Net income	32.57	2.58	1.08	10.26	6.59
Ratios			<i>Percent or number</i>		
Current	1.56	14.33	2.32	1.63	1.42
Debt-to-asset	0.41	0.09	0.24	0.58	0.42
Debt-to-equity	0.69	0.09	0.32	1.38	0.73
Retained-earnings-to-equity	8.18	0.00	24.74	23.50	73.21
Equity-to-assets	59.08	91.45	75.82	41.98	57.64
Adjusted-equity-to-assets	75.71	96.56	95.30	69.11	68.97
Return-on-assets	25.76	2.07	2.85	9.57	6.97
Return-on-member-equity	42.40	1.32	3.31	27.20	26.22
Extra value index +2	27.37	-1.42	-0.28	12.45	2.92
Extra value index +5	25.10	-4.32	-3.14	10.38	0.85
Extra value index +10	21.31	-9.14	-7.91	6.93	-2.59

Appendix Table 7—Cooperative net income before taxes, 2001-2010¹

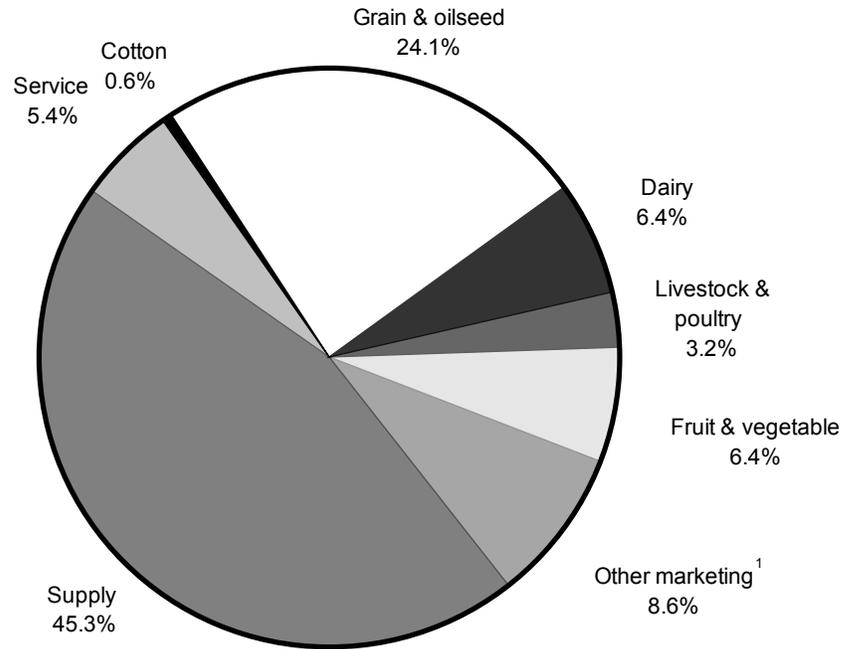
Year	Net operating margins	From other cooperatives ²	Total
		<i>Billion dollars</i>	
2001	0.68	0.32	0.99
2002	0.55	0.36	0.91
2003	0.77	0.09	0.86
2004	1.72	0.39	2.11
2005	1.91	0.40	2.31
2006	2.38	0.54	2.92
2007	3.18	0.66	3.85
2008	4.01	0.87	4.88
2009	3.24	0.90	4.14
2010	3.61	0.69	4.30

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

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

APPENDIX FIGURES

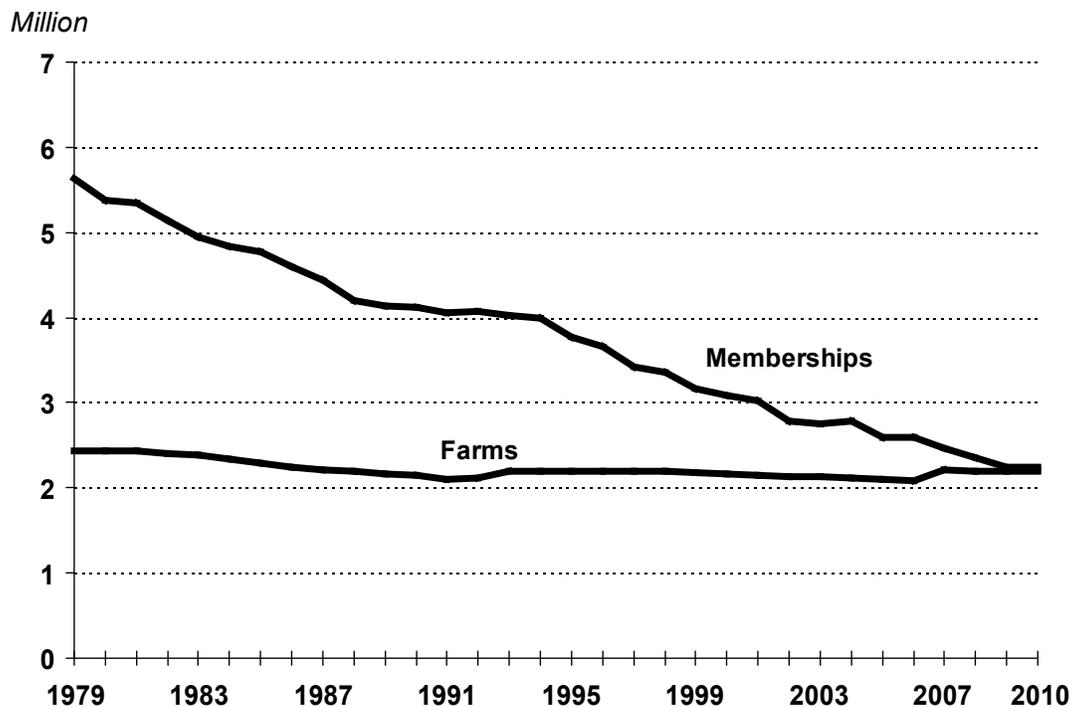
Appendix Figure 1—Distribution of Cooperatives by Type, 2010



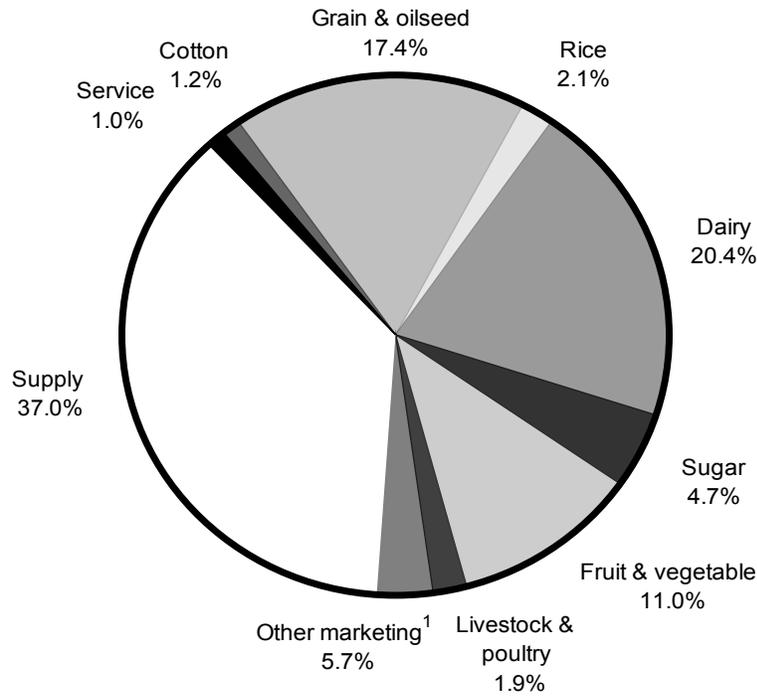
Percentages are based on a total of 2,310 cooperatives.

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

Appendix Figure 2—U.S. Farms and Cooperative Memberships, 1979-2010

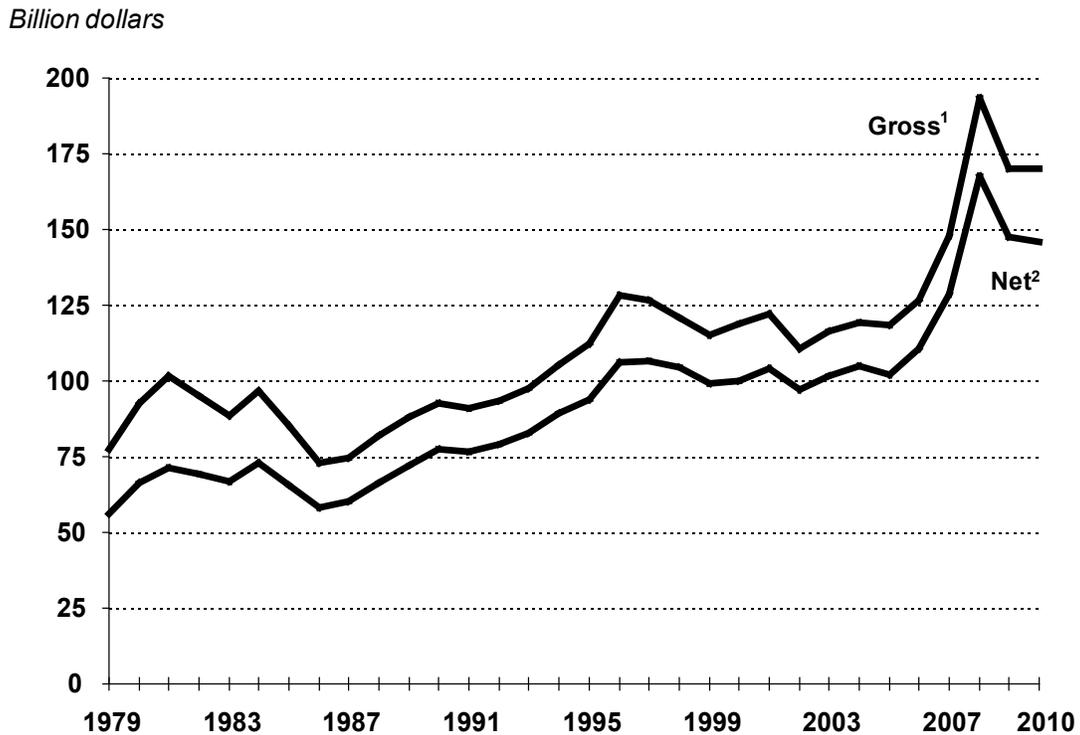


Appendix Figure 3—Distribution of Full-Time Employees by Cooperative Type, 2010



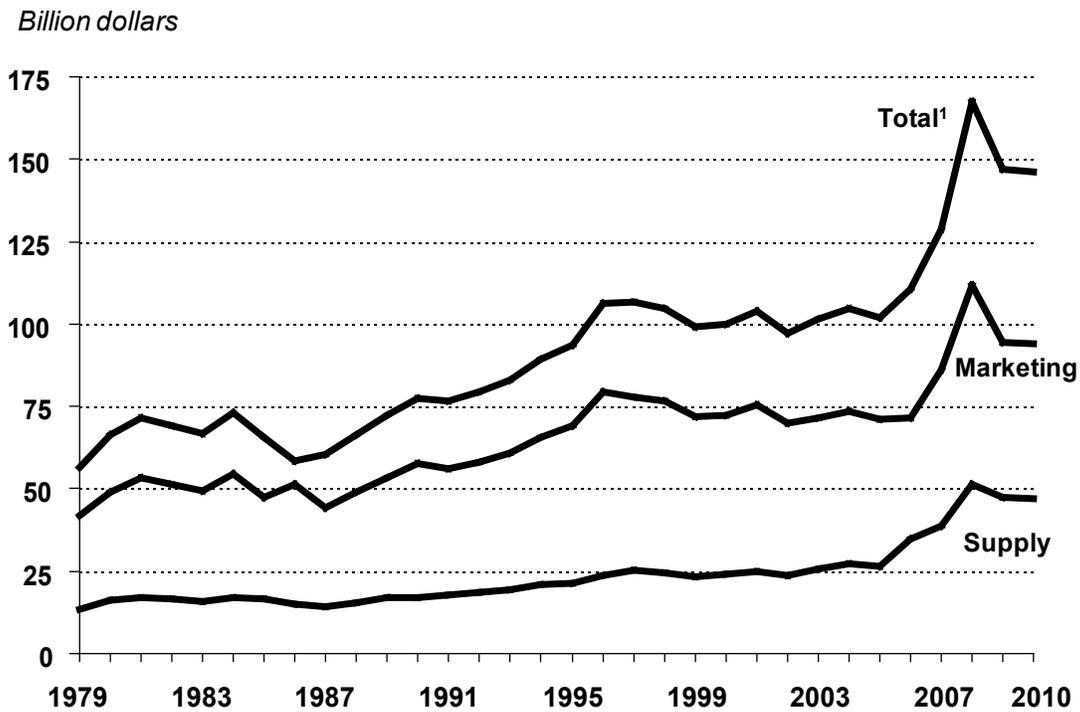
Percentages are based on a total of 129,300 full-time employees
¹Includes dry bean and pea, nut, wool and mohair, tobacco, fishery, and other product marketing cooperatives

Appendix Figure 4—Cooperatives' Gross and Net Business Volumes, 1979-2010



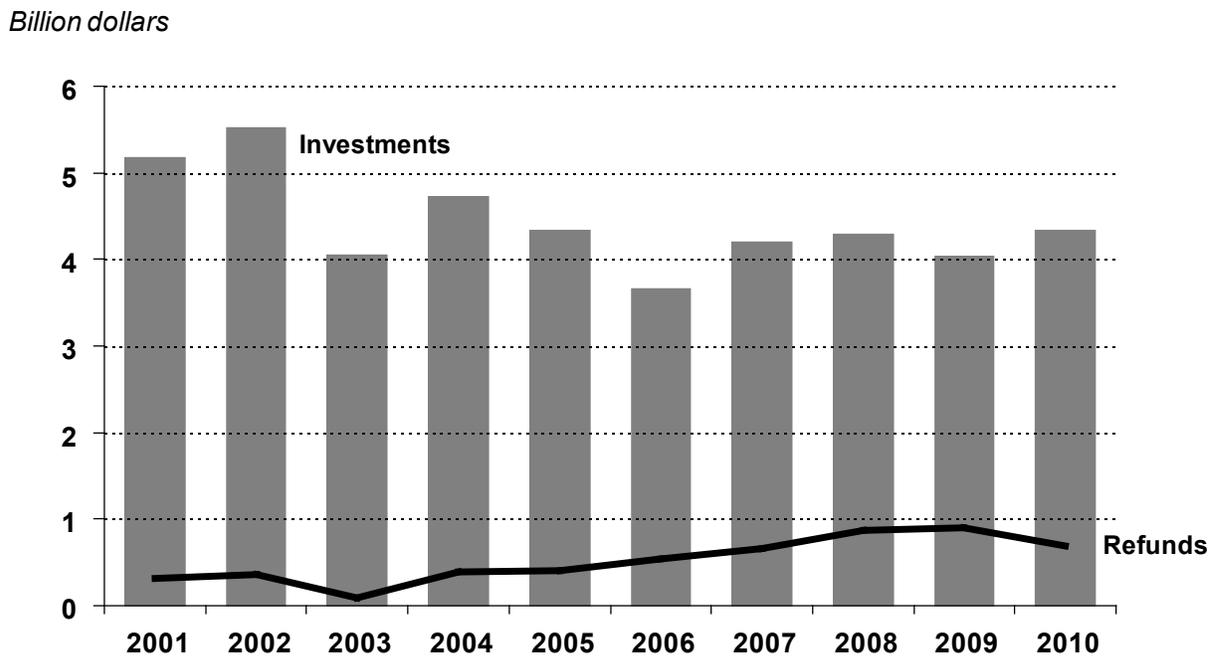
¹ Includes inter-cooperative business.
² Excludes inter-cooperative business.

Appendix Figure 5—Cooperatives' Net Business Volume, 1979-2010



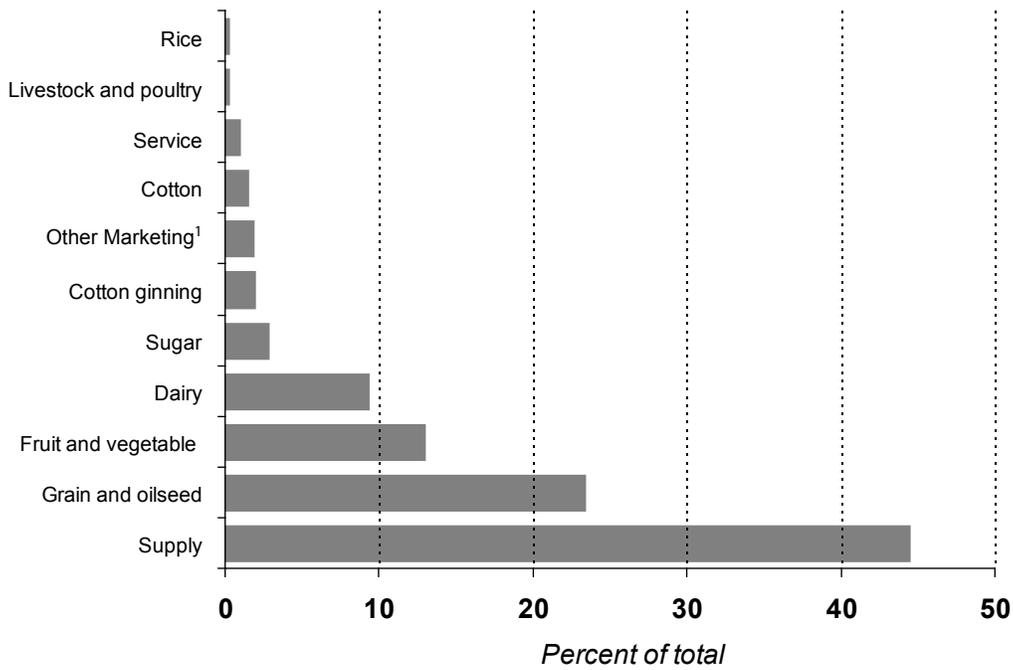
¹Total includes value of related services and other income.

Appendix Figure 6—Cooperatives' Investments in Other Cooperatives and Patronage Refunds Received from Other Cooperatives¹, 2001-2010



¹Includes other cooperatives and CoBank.

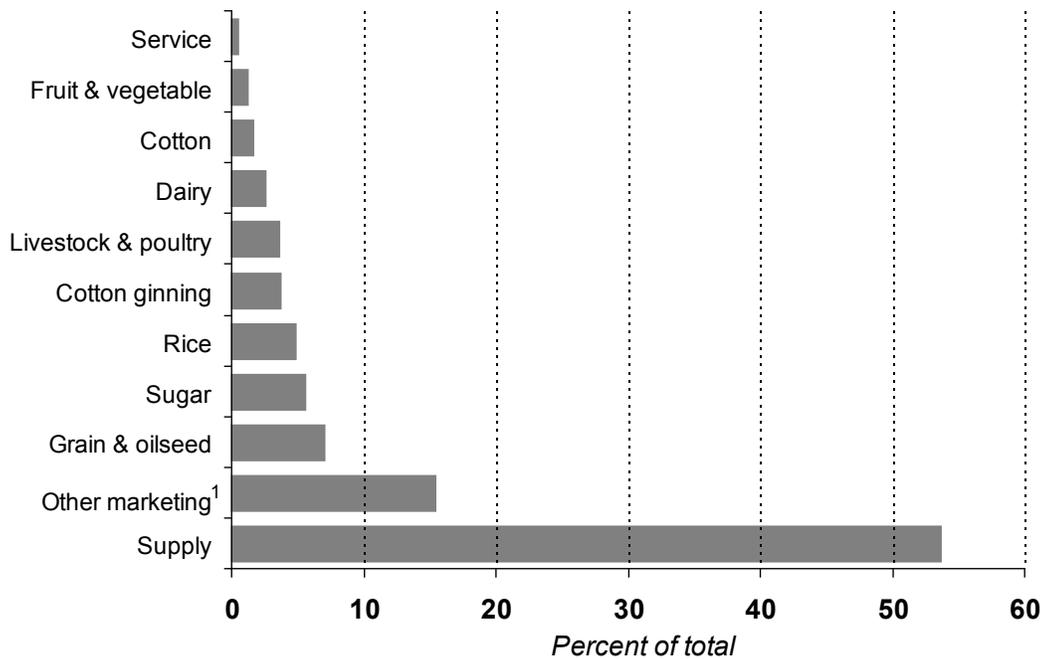
Appendix Figure 7—Distribution Net Income Before Taxes, by Cooperative Type, 2010



Percentage based on net income before taxes of \$4.3 billion.

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

Appendix Figure 8—Distribution of Losses, by Cooperative Type, 2010



Percentage based on before taxes losses of \$160.4 million.

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

