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Coordinated Marketing--

Would It Help Cooperative Fruit and Vegetable Processors?

By Irwin W. Rust

**FARMER COOPERATIVE SERVICE
U. S. DEPARTMENT OF AGRICULTURE**

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JOSEPH G. KNAPP, ADMINISTRATOR

The Farmer Cooperative Service conducts research studies and service activities of assistance to farmers in connection with cooperatives engaged in marketing farm products, purchasing farm supplies, and supplying business services. The work of the Service relates to problems of management, organization, policies, financing, merchandising, product quality, costs, efficiency, and membership.

The Service publishes the results of such studies; confers and advises with officials of farmer cooperatives; and works with educational agencies, cooperatives, and others in the dissemination of information relating to cooperative principles and practices.

This study was conducted under authority of the Agricultural Marketing Act of 1946 (RMA, Title II).

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Summary and Conclusions

What kind of a coordinated marketing program would the majority of fruit and vegetable processors prefer, and to what extent would they support such a program?

To get the answers to these questions, Farmer Cooperative Service sought information from all known cooperative fruit and vegetable processors in the United States and from several rice and dried pea and bean associations. It asked these processors about their current sales practices, their problems, and their ideas for an effective marketing agency.

Processors reported they were having difficulty meeting the large-scale requirements of chain stores and other quantity buyers. They had other serious problems related to market coverage, brand competition and acceptance, rising costs, and changes in consumer's preferences and demands.

This study showed 53 cooperative processors in 19 States were definitely interested in marketing their products through a joint sales agency. All customarily sold through brokers, although a number sold direct to customers whenever feasible. Development of a coordinated sales program probably would foster greater emphasis on direct sales, in keeping with current trends in that direction.

Prices were usually based on competitive situations, with attention to covering reasonable costs. Over 80 percent of the interested processors solicited

orders for future delivery. The majority considered f.o.b. sales desirable.

Although only about half of the cooperatives reported they sold in nationwide markets, more than two-thirds believed a joint marketing agency should sell on that basis. With careful programming of distribution, processors of identical products in different parts of the country could effect savings in distribution costs by concentrating on regional rather than national deliveries.

Initially, processors would make about 50 percent of their volume (approximately 19 million cases of canned, bottled, frozen and packaged foods) available for sale through a central agency. Several processors indicated willingness to use the agency exclusively from the start. Several others said they would increase their amounts as the program progressed.

All cooperatives interested in a joint marketing program said they would be willing to accept uniform quality requirements.

Processors showed less unanimity on the question of brands. Forty-six percent favored an exclusive central agency brand; 32 percent would want to use both central agency and individual association brands.

A number of processors reported they did no advertising. Expenses of those who did advertise ranged from 3.5 to 10 percent of sales. If a coordinated sales agency wished to establish a nationally recognized and accepted brand, it would undoubtedly need to advertise.

Coordinated Marketing--

Would It Help Cooperative Fruit and Vegetable Processors?

Irwin W. Rust

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Interest in some method of jointly selling and merchandising cooperatively processed fruits, vegetables, consumer packaged rice, beans, and miscellaneous edible farm products has been developing for many years. During World War II this interest was subordinated to problems associated with the war effort, but since 1946, and particularly in the 1950's, marketing and distribution problems have multiplied for cooperative processors.

The growth of large-scale buyers, such as chain stores, has created a demand and need for suppliers who can furnish large volumes. Relatively small processors report difficulty in filling the needs of large customers. The battle for

shelf space in modern retail food stores has made it imperative for store operators to reduce or eliminate multiple brands of identical commodities. Rising costs of production and marketing are making it increasingly important for processors to pack and sell at optimum efficiency. This suggests that a joint marketing activity might be more efficient and economical than for each firm to conduct its own sales activities.

The recent study of fruit and vegetable processors on which this report is based disclosed that the most pressing marketing problems faced were associated with: (1) Maintenance of full and adequate market coverage; (2) brand competition and acceptance; (3) the pressure between rising costs and current prices; and (4) changing practices and preferences of their customers.

Nature and Scope of this Study

Knowledge of the nature and extent of interest in a coordinated marketing program, and of the nature of the market any coordinated effort would face, is prerequisite to successful initiation of any joint merchandising effort.

Farmer Cooperative Service planned a study in two phases to find answers to some of these problems. The first phase measured processor interest in improving their marketing activities. The second phase, now underway, will measure the market now faced, and to be faced, by fruit and vegetable processing firms.

This report discusses material gathered in the first phase of the project. Its overall objectives have been: (1) To assist cooperative and other processors and shippers in developing joint selling and merchandising programs to increase efficiency and expand distribution; (2) to study factors involved in operating such programs successfully; and (3) to develop plans and procedures for initiating them.

Information was sought from all known cooperative fruit and vegetable processors in the United States and from several rice and dried bean and pea associations.

Then . . . Time was when canning fruits and vegetables was a relatively simple process, requiring limited investments in processing and marketing facilities.

which package their products for sale in retail food stores. In almost every case the answers were recorded during a personal interview. A few processors replied to the questionnaire by mail.

Interest in a Coordinated Program

At the outset a list was made of every known cooperative processing firm which could conceivably fit into a joint marketing program. Names were obtained from State extension services, State departments of agriculture, State councils of farmer cooperatives, State land-grant colleges, individual farmer cooperatives, and sundry other sources. The original list contained the names and addresses of 82 cooperatives.

Eleven firms either did not answer written requests for information or could not be located. Of the 71 firms contacted, 53, or over 74 percent, indicated a definite interest in some form of coordinated marketing program. Seven are already marketing their products jointly through central sales agencies.

Location of interested processors

One factor which could affect the success of an attempt to coordinate mar-

. . . Now, modern mass markets and high costs demand expensive plants and streamlined operations for peak efficiency.

Most of the interviews were held during 1956. Questions asked about volumes and costs covered the 1953-54 marketing season.

Marketing is the degree of geographical concentration of interested firms. The 53 cooperative processors of fruit, vegetable and special crops indicating an interest in a joint program are located in 19 States (figure 1).

To measure the geographical dispersion in terms of relatively broad regional groupings, the 19 States were classified as: West Coast, East Coast, North Central, and South Central. While this division is somewhat arbitrary it may suggest a workable form of regional organization of producing units. Other equally logical groups might be preferable for technical reasons.

Products handled

Processing firms interested in a joint marketing program may also be grouped according to commodities handled. For this purpose the various products processed were divided into five major

Number of Interested Cooperative Fruit and Vegetable Processors By States

categories: vegetables and vegetable juices; deciduous fruits, berries and juices; citrus fruits and juices; rice, dried beans and dried peas; and specialty items - wines, brandy, olives, mushrooms, and dates. Since a number of processing cooperatives handle more than one type of commodity, the figures shown below add up to more than the actual number of individual associations reporting.

<u>Type of product</u>	<u>Number of processors</u>
Vegetables and their juices	25
Deciduous fruits, berries and juices	34
Citrus fruits and juices	3
Rice, dried beans and peas	7
Specialty items	6

Cooperatives interested in a joint program listed 44 different kinds of products. The following summary shows their distribution by type.

<u>Type of commodity</u>	<u>Number of products</u>
Vegetables	17
Deciduous fruits, berries	15
Citrus	4
Dry or dried products	2
Specialty items	6
Total	44

A breakdown by number of firms handling each product gives one measure of the volume potentially available for a joint marketing program. The 53 interested processors reported handling the products listed in the next column in the 1953-54 processing season.

Volumes handled

The degree of a sales organization's efficiency and economy is related to both the volume and variety of product it sells.

To determine the potential volume available for a joint sales program, interested fruit and vegetable processors were asked to report volumes and products handled for the 1953-54 season. All but 7 of the 53 cooperatives indicating interest furnished this information.

<u>Product</u>	<u>Number of processors</u>
Vegetables	
Tomatoes	12
Green beans	9
Corn	6
Green peas	5
Pumpkin	5
Wax beans	3
Asparagus	2
Beets	2
Carrots	2
Lima beans	2
Field peas	1
Kidney beans	1
Pork and beans	1
Rhubarb	1
Sauerkraut	1
Spinach	1
Succotash	1
Citrus fruits, juices	
Oranges	2
Grapefruit	2
Tangerines	2
Lemons	1
Deciduous fruits, berries, juices	
Cherries	14
Apples	11
Strawberries	9
Peaches	8
Grapes	5
Pears	5
Blueberries	4
Raspberries	3
Apricots	2
Boysenberries	2
Plums	2
Blackberries	1
Cranberries	1
Currants	1
Elderberries	1
Rice, dried legumes	
Rice	4
Beans	2
Specialty items	
Wine, brandy, vermouth	1
Mushrooms	2
Olives	2
Dates	1

Shoppers today must be familiar with many brands in order to get the best and most for their money. Here are some of the brands cooperatives use.

However, volumes were reported in a number of different can sizes as well as in bulk or in pounds. To obtain figures which were additive and comparable, these were converted to an equivalent basis. All can sizes were converted first to gallons, then to 24/2

(24 No. 2 cans) equivalent cases. Frozen products were converted to cases of 24 10-ounce equivalent; and gallons of wine, brandy and vermouth were converted to cases of 12/5ths equivalent. Dates were converted to cases of 24 10-ounce packages. Packaged rice and dried beans and peas were converted to hundredweight equivalent (table 1).

Early in this discussion a broad geographical or regional grouping was described. This has been used as a basis for tabulating total volumes by types of product, and net volumes which processors indicated they would be willing to market through a joint sales agency.

Most processors indicated they would be willing to allocate only a portion of their total output to any joint sales agency, saying they must reserve a certain portion of their pack to take care of established customers, at least until such time as the joint sales program proved successful. Seven interested firms did not report volume. One of those seven firms processes vegetables, one deciduous fruit, one specialty items, and four rice and dried beans and peas. Thus, total volume could be increased by the amount processed by these seven firms.

The regional totals reveal that, for the Nation as a whole, cooperative processors were willing to market jointly about 57 percent of their processed fruits, vegetables, and specialty items, and 40 percent of their packaged rice and dried beans and peas. These percentages vary somewhat between regions.

Sales Policies and Practices

To determine the nature and degree of interest in coordinated marketing, processors were asked a series of questions concerning their present sales practices, the type of coordinated program they would prefer, and to what degree they would support such a program. Knowledge of such current practices also provides some indication of the degree of difficulty which might be expected in achieving the goals desired. Answers to this portion of the study are

reported later in tabular form insofar as possible.

Current market area served

Knowledge of the market areas that firms interested in a joint sales program now serve is important in planning a program best suited to their needs. Interested cooperative processors were asked to indicate what percentage of their pack was sold locally, regionally,

Table 1. - Total volume handled by cooperative processors interested in a coordinated marketing program, by regions and net volume available for a joint program, 1953-54

Item	Total volume processed			Net volume available for joint program				
	Canned and bottled	Frozen	Packaged	Canned and bottled	Percent of total	Frozen	Percent of total	Packaged
	(1,000 cases)	(1,000 cases)	(1,000 cases or 1,000 cwt.)	(1,000 cases)		(1,000 cases)		(1,000 cases or 1,000 cwt.)
West Coast								
Vegetables	4,169	460	-	3,745	90	453	99	-
Deciduous fruits	5,450	581	-	3,752	69	519	89	-
Citrus fruits	230	1,098	-	115	50	549	50	-
Rice, beans, peas	(1)	-	-	(1)	-	-	-	-
Specialty items	3,918	-	533	1,959	50	-	-	267
Totals	13,767	2,139	533	9,571	70	1,521	71	267
East Coast								
Vegetables	21,940	53	-	21,067	55	53	100	-
Deciduous fruits	23,687	350	-	21,678	45	242	69	-
Citrus fruits	5,931	3,478	-	1,798	30	1,739	50	-
Specialty items	280	-	-	280	100	-	-	-
Totals	11,838	3,881	-	4,823	41	2,034	52	-
North Central								
Vegetables	421	17	-	355	84	6	33	-
Deciduous fruits	445	1,078	-	223	50	505	47	-
Rice, beans, peas (cwt.)	-	-	353	-	-	-	-	53
Totals	866	1,095	353 (cwt.)	578	67	511	47	53 (cwt.)
South Central								
Vegetables	164	-	-	82	50	-	-	-
Rice, beans, peas (cwt.)	-	-	2870	-	-	-	-	2435
Totals	164	-	870 (cwt.)	82	50	-	-	435 (cwt.)
Grand totals	26,635	7,115	533	15,054	57	4,066	57	267 (cases)
			1,223 (cwt.)					488 (cwt.)

¹Volume not reported.

²Several firms did not report volumes in this category.

Table 2. - *Nature of area served, by number of firms and type of pack, 1953-54*

Nature of market area	Type of pack					
	Canned or bottled		Frozen		Packaged dates, rice, peas, beans	
	Number of firms	Percent of firms	Number of firms	Percent of firms	Number of firms	Percent of firms
Mostly local	1	3	3	15	1	17
Mostly regional	17	42	7	30	1	17
Mostly national	20	50	11	50	4	66
No answer	2	5	1	5	0	0
Total	40	100	22	100	6	100

and nationally, in answering the question, "What is the nature of the area in which you sell your pack?" (Table 2.)

For purposes of this report, local sales were defined as being "within the State in which your plant is located;" regional sales as in "your own State and neighboring States;" and national sales as sales in "widely scattered States."

If a joint centralized sales program were developed, the preceding tabulation might be materially altered. Proper programming of distribution on a national basis might lead processors of identical products in widely scattered parts of the country to concentrate on regional rather than national distribution. This might make possible substantial savings in transportation costs.

Then . . . Farmers meet their customers face to face.

. . . Now, Today's economy calls for mass marketing and distribution facilities and techniques.

Market area considered desirable

Continuing the discussion of market areas, respondents were asked, "Do you feel that a joint sales agency should be on a regional, national or other basis?"

While only about one-half reported they were now selling in nationwide markets, two-thirds thought a central marketing agency should operate on a nationwide basis as indicated by the following tabulation:

<u>Basis preferred</u>	<u>Number</u>	<u>Percentage</u>
National	36	68
Regional	13	25
Other	1	3
No answer	3	4
Total	53	100

Processor support expected

Relatively few processors would be willing to turn over their entire pack to a joint sales agency. A number of reasons were given for this. Many processors had long-term commitments to customers, or had built up a high degree of acceptance for their products in certain markets. While desiring the services of a central sales agency, they felt at the same time a certain obligation to continue to serve old and good customers. Some processors said they would want to turn over all their business to a central sales agency eventually, but did not want to make a complete break with the past until the agency had proved successful. The following tabulation lists answers to the question: "How much of your pack would you be willing to sell through a central sales agency?"

<u>Portion of pack</u>	<u>Number of firms</u>	<u>Percentage</u>
All	13	25
Part	34	64
No answer	6	11
Total	53	100

Joint label vs. firm label

An important consideration in any discussion of a joint marketing program

is the question of what label or brand to use. Some shippers have spent years building market acceptance for an association label and are reluctant to switch to another used jointly by several concerns. Others have no particular interest in their own label or have never had their own.

In an attempt to measure this factor, interested cooperative fruit and vegetable processors were asked: "What is your policy with respect to labels?"

The 1953-54 practices of firms answering this question are tabulated below. Since some firms used all three processes -- canning, freezing, and drying-packaging -- figures cannot be added.

<u>Type of label sold under</u>	<u>Packing process</u>	<u>Number of firms</u>
Association label only	Canning	1
	Freezing	9
	Drying or packaging	3
Buyer label only	Canning	2
	Freezing	2
	Drying or packaging	-
Combination	Canning	33
	Freezing	11
	Drying or packaging	3

Since any joint marketing program would seek to establish market recognition and acceptance for its products, there should be some ready means of identification. This could be a common label, used for all products and all producing areas. However, some firms have already established their own labels in the markets they serve. A joint sales agency taking over sale of the product could take advantage of such established market acceptance by continuing to use the established label. Or perhaps a small medallion or seal could be placed in one corner of the label, permitting its continued use but at the same time calling attention to the new organization marketing the product.

On the other hand, little would be gained by continuing to use a firm label which has not gained wide market acceptance. The issue in this case is much more easily resolved.

A rather wide divergence of views appeared in answers to the question: "What kind of label or brand would you be willing to use on that part of your pack sold through the central sales agency?" Were such an agency organized, solution to the label problem would probably have to be a compromise. A summary of the answers follows:

Brand preferred	Number of firms	Percentage
Our own	10	19
Central agency	23	43
Buyer's brand	1	2
Some combination	16	30
No answer	3	6
Total	53	100

Quality maintenance

Without exception, all cooperatives reporting interest in a joint marketing program expressed willingness to conform to uniform quality requirements. This is quite significant since uniformity of quality among shippers would be highly important in building and maintaining product acceptance.

However, membership in a central sales agency which sets quality standards applicable to all members would require individual processors to relinquish certain prerogatives. Firms packing under continuous Federal inspection would have no problem because they have already turned quality control over to an outside agency. Firms doing their own inspection would need to abide by decisions of an inspector over whom they had no authority. This might call for some basic adjustments in point of view.

Variation between the same product grown in widely different parts of the country is another factor bearing on the problem of quality control. For example, a U. S. No. 1 cherry grown in the northern States may have a somewhat different texture and flavor than a U. S. No. 1 cherry grown in a warmer climate.

Interested processors were asked a series of specific questions concerning quality control. The first question was: "Do you use U. S. Grades?" Forty-one

Uniform product quality is a necessity in today's mass markets. Many processors assure this uniformity by processing fruits and vegetables under continuous Federal inspection.

replied in the affirmative; 10 in the negative; and two did not answer.

"How do you maintain quality control?" was the second question. Several cooperatives reported using more than one method so the following tabulation of answers is not additive.

Method of maintaining quality control	Number of firms
Federal-State inspection	30
Cooperative inspection	31
Both	15
Other	2
No answer	5

Twenty-one processors answered, "Yes" to: "If you do use U. S. grades, do you pack under continuous inspection?" Nineteen said, "No," and three did not reply.

There were only three replies to the last question of the series: "If you do not use U. S. grades, on what basis do you determine quality to be packed?" One firm reported using grades higher than U. S. and two said they used similar grades.

Current selling and pricing practices

Another series of questions was asked in an effort to obtain a picture of present selling practices of cooperative fruit and vegetable processors.

One question was, "How were your 1953-54 opening prices determined?" Answers given indicate costs of production or profit were a factor in price setting less than one-third of the time. This would not perhaps be true over a period of several seasons, when marginal firms would leave or enter the industry as prices went down or up. But for any given season, once these firms had been committed to doing business the prices asked usually would be based on evaluation of the competitive situation - prices asked by competitors, volume on hand or expected and the like.

Processors' replies are reported below. Some firms gave more than one answer.

<u>Method of setting opening prices</u>	<u>Number of firms</u>
a. Where competitive forces were considered:	
Competition sets the price	37
Broker sets opening price	3
Based on current volume plus carryover	3
Based on previous year closing price	2
b. Where costs plus profits were considered:	
Cost plus reasonable margin	15
Board of directors sets opening price	3
Government support price	1

At the time this study was conducted there was decided preference for f.o.b. sales, with only four firms basing sale prices on a delivered basis.

Many leaders in the fresh fruit and vegetable trade believe that a market price cannot be established where most of a given commodity is sold f.o.b. The reasoning behind this position is that it takes many sales to reflect the nature of demand for a given commodity in a given market at a given time. If only a few scattered sales are made, it is difficult to obtain the true picture. This situation could exist if most sales were on an f.o.b.

basis. On the other hand, f.o.b. pricing may make it easier for a shipper to obtain quickly an accurate estimate of his returns.

Processors were asked: "What portion of your sales were made f.o.b. shipping point? Delivered?" They replied as follows:

<u>Sales bases</u>	<u>Number of firms</u>
All sales f.o.b. basis	24
All sales delivered basis	4
Some f.o.b., some delivered	22
No answer	3

Most of the firms interviewed projected their sales in advance of actual production. The value of such procedure is self-evident. Given some knowledge of demand to be satisfied in the future, production operations can be adjusted for optimum performance, financing needs estimated with greater precision, and overall operating efficiency improved.

Forty-three firms said "Yes" when asked: "Do you solicit orders for future delivery?" Eight said "No," and two did not reply.

Current marketing channels

Information concerning the channels through which products now move and the places to which they move is also of interest in gaining an understanding of the nature of the institutions interested in a joint marketing program. One of the many problems fruit and vegetable processors face is the current shifting taking place in these channels. Traditionally, processed products have moved from the packer through several intermediate steps before reaching the retail outlet. This is no longer necessarily true.

The growth of chain food outlets is being accompanied by growth of large-scale buying, and to a substantial degree the abrogation of traditional trade channels and the substitution of a direct packer-retailer relationship. Cooperative fruit and vegetable processors are being affected by this trend and need to adjust to it. It is possible that small or independent processors may find this more difficult than firms joined in a coordinated program.

Then . . . The grocer took the order, selected the merchandise, advised the shopper on the best buys.

. . . Now, the shopper does the selecting, depending on the reputation associated with labels for assistance in making a wise purchase.

Answers to the question: "What were the channels through which you distributed your processed fruits and vegetables during the 1953-54 season?" are shown in table 3.

Of the total number of firms answering this portion of the questionnaire, 22 processors of canned and bottled, 10 processors of frozen, and four processors of packaged products reported that all of their sales were made through brokers, salaried representatives, or cooperative sales agencies. Fifteen processors of canned and bottled, 10 of frozen, and two of packaged products reported that part of their output was sold directly to retailers, wholesalers, institutions, and others. However, for the entire group, direct sales accounted for only 6 percent of total volume of sales.

Table 3. - Channels of distribution of processed or packaged fruits, vegetables, rice, dried beans and peas, and volumes moving through each, 1953-54

How distributed	Volumes sold in cases or hundredweight							
	Canned and bottled		Frozen		Packaged		Total	
	Volume	Percent	Volume	Percent	Volume	Percent	Volume	Percent
	(1,000)		(1,000)		(1,000)		(1,000)	
1. Sold through broker, salaried representative, or cooperative sales agency	23,071 cases	93	8,460 cases	96	533 cases 454 cwt.	100 52	32,064 cases 454 cwt.	94 52
2. Sold directly to retailers, wholesalers, institutions, and others	1,842 cases	7	369 cases	4	416 cwt.	48	2,211 cases 416 cwt.	6 48
Totals	24,913 cases	100	8,829 cases	100	533 cases 870 cwt.	100 100	34,275 cases 870 cwt.	100 100

Current sales costs

Some measure of sales and promotion costs is important in any attempt to develop a joint marketing program. Such a program needs financing, and such financing must come from the firms using the service. Therefore, it is important to know what member firms have been accustomed to paying for selling and promoting their products.

An attempt was made in this study to estimate the average costs of selling and promotion incurred by cooperative processors. Replies to this portion of the questionnaire were such that costs can be presented both as ranges and as per unit averages.

Interested firms replying to this portion of the inquiry reported a slight difference in costs depending on the products handled, as follows:

Product group	Brokerage costs		Advertising costs	
	Percent of sales	Per case equivalent	Percent of sales	Per case equivalent
	Range	Average	Range	Average
Vegetables	3.0 to 6.5		0 to 3.5	
Fruits	2.7 to 5.0	\$0.13	0 to 10.0	\$0.06

Twenty-eight firms advertised their products during the year under review. Their aggregate shipments in 1953-54 were 32 million cases and they spent just under \$2 million in advertising.

Current marketing problems

Any program designed to coordinate the selling activities of a group of processors must solve, at least in part, the marketing problems of its constituents or it will fail for lack of support.

The first step in solving any problem is to know what the problem is. To this end, cooperative processors were asked: "What do you consider to be your most important marketing problems?"

Most respondents answering the question listed two or more. To reduce the answers to manageable size, they were grouped into broad major categories. Table 4 lists these categories and the number of firms whose problems fell into each. To measure the nature of the difference, if any, between processors interested and those not interested in a

Table 4. - Major marketing problems of cooperative processors interested and not interested in a joint sales agency, 1953-54

Problems associated with:	Number of firms	
	Among those interested	Among those not interested
Brand competition and acceptance	18	-
Maintenance of full and adequate market coverage	15	-
Customer buying practices and preferences	13	-
Transportation	9	1
Achieving a profitable relationship between costs and returns	9	10
Quality control and quality competition	6	-
Financing distribution	6	-
Warehousing and storage	5	-
Consumer use, demand, and preference	4	3
Excessive fluctuations in demand, supply, and price	4	-
Raw product supply	-	7
Miscellaneous	-	1

Then... *Getting the product from the field to the plant was a relatively leisurely process.*

... Now, *expensive plants and equipment make it imperative to maintain a large and steady flow of raw products.*

coordinated marketing program, the problems of both groups have been listed. Note that of the two problems most mentioned by those not interested in a joint program, the first, achieving a profitable relationship between costs and returns, is of only medium importance to those interested; and the second, raw product supply, is not even mentioned by interested processors.

Today's food market is a large-scale, mass market. Serving that market efficiently calls for mass sales and distributive organizations. The problems listed above, for the most part, seem associated with lack of sufficient volume and resources to function most efficiently under current conditions. It is possible that their eventual solution lies in some form of joint endeavor.

...the most common form of joint venture is the joint product supply. In this type of arrangement, two or more companies combine their resources to produce a product that neither could produce on its own. This type of joint venture is often used in the pharmaceutical industry, where two companies may combine their resources to develop a new drug. Another common form of joint venture is the joint distribution. In this type of arrangement, two or more companies combine their resources to distribute a product. This type of joint venture is often used in the food industry, where two companies may combine their resources to distribute a new food product. Finally, joint ventures can also be used to develop new markets. In this type of arrangement, two or more companies combine their resources to enter a new market. This type of joint venture is often used in the technology industry, where two companies may combine their resources to develop a new technology.

Today's food retailer is a large-scale, mass market service that must efficiently serve for mass sales and distribution. The problem, listed above, for the mass food store associated with lack of individual voice and response to a market most efficiently and effectively. It is essential that their eventual solution be in some form of joint endeavor.

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