The Petaluma live poultry auction—an experiment lasting from June 1948 to April 1951—was studied to determine what it meant to the poultry industry of the Bay area.

During the fall of 1948, 400 to 500 coops of chickens were offered at sales held twice weekly. Two years later sales conducted once a week averaged 250 coops. Through November 1950 average sales declined to 150 coops. They rose again to approximately 184 in December but dropped to 150 in January and February 1951. Auction sales of live chickens totaled 892,801 pounds in 1950 as against 1,814,152 pounds the previous year.

Dissatisfaction with existing market channels was indicated in the large quantities of produce handled by the auction in its first year. A peak volume for a single sale was achieved on January 11, 1949, when 55,000 pounds of poultry passed through. The average sale for the first three months approximated 28,000 pounds, for September 1948 to March 1949, 24,000 pounds, and April-September 1949, 17,000 pounds. At the same time total sales of poultry in the entire state stayed on much the same level.

Variation in the quantity of birds offered proved a deterrent to buyers with other important business and a source of loss to producers who sent in consignments when supplies were excessive.

In the 100 auction sales analyzed, the average deviation from the mean was 31%, but the range was much wider. Even after correction into weekly averages the mean variation was 24.9% during the months of September 1948 to March 1949. Seasonal fluctuations were less severe than at some other primary markets because of the combined effects of two breeding cycles, that of young meat birds leaving the hatcheries, and of older layers held for their egg potential during the period of scarcity in the fall, but culled out severely when their rate of laying declined in the summer.

There was no likelihood that the seasonal flow of birds through the auction would match the movement of consumer demand. The presence of wholesale buyers able to store against consumer requirements was an essential part of a satisfactory market. Performance of such services was not within the capacity of small retailers and hucksters—independent jobbers—who bought only for current requirements.

The institution of a grading program at the producer level was one of the most original steps in Western poultry marketing. Of the four major classes of birds—Leghorn hens, Leghorn broilers, colored fryers, and colored hens—more than half was classified, good; one third, fair; and less than 10%, as is. These figures indicate that the auction did not deal primarily in offgrade birds although some producers might have sent birds rejected by other buyers.

Sales data for 100 auctions were examined for departures from the tenets of a perfect market.

Maladjustments in the balance of supply and demand had an exaggerated effect on price making under the auction method, since there are no limits on the upward and downward movement beyond those set by open bidding.

Colored fowl were in demand and earned a premium over Leghorn hens of 12 cents per pound, and over colored fryers of four to six cents per pound. The special market for heavy, fat hens was open to birds graded fair as well as good.

Seasonal movements included the substitution of turkey for chicken at Thanksgiving and Christmas, and reduced interest in older birds during summer when fricassee and soup were less in demand.

Inferior birds sold better at the auction than they would have done elsewhere. Small retailers, prepared to process lower grade birds and sell them in their most attractive form, bought those lots that would bring maximum advantage.

Prices at Petaluma observed much the same pattern as those reported for the wholesale market at San Francisco but were more sensitive to short run changes in supply.

**Auction Buyers and Producers**

Almost half of the purchases by weight were made by San Francisco wholesalers during the year under detailed study. Close to 29% went to large wholesalers, and 11.7% each to Bay area retailers and local hucksters.

Eighteen poultry dealers bought 10,000 pounds or more during the year, but at any one auction only 10 to 12 made actual purchases.

Desirable features in buyers frequenting a market included regularity in attendance, interest in a wide range of products and capacity to take up varying quantities and redistribute them to the greatest advantage. An additional advantage of the auction from the dealer’s point of view lay in its continuity, regardless of the contribution made by the individual buyer.

The market area from which birds were sent into the auction extended up to 100 miles north, east and south, and to the coast on the west. Two thirds of the total quantity originated in the Santa Rosa—Petaluma area and this proportion increased during the year.

Most poultrymen who availed themselves of the auction service were those interested primarily in production and lacking the time or inclination for personal assumption of marketing functions.

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A new commodity treatment—ethylene dibromide fumigation—has been developed for the control of this fly. A general survey of mosquitos of medical importance has been continued and several new species of Tabanidae and Acarina have been added to the known fauna of the state.

Residue Studies
To obtain adequate information as to the quantity and nature of insecticide residues on citrus, deciduous, vegetable and forage crops, about 3,000 chemical determinations of insecticides have been made. The information obtained is essential for the licensing of new insecticides for use on food crops.

More than 800 organic compounds were tested biologically as possible insecticides during 1950, and the most effective ones are being field tested. These tests have resulted in the commercial development of several new insecticides.

Certain of the projects discussed have been carried out in cooperation with the Division of Plant Physiology and the Division of Plant Pathology at Riverside.

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These producers, however, tend to be more interested in the egg than in the meat bird production business.

Appraisal of Auction
The poultry auction was suspended this spring. The principal reason was lack of sufficient volume of poultry to justify labor and cost.

The weekly auction at Petaluma offered