Basic requirements for

Bargaining Strength
by farmer cooperative associations

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Some farmers’ cooperative bargaining associations may fail to achieve their objective—improved economic position for their members—because the associations attempt too much without enough important factors under control.

Of prime importance as a tool for successful bargaining is the positive control by the association of enough tonnage to carry bargaining weight.

Control of Tonnage

Positive control of tonnage basically requires that there be an enforceable contract between the grower and his association. The contract may be one for the sale of the crop in advance of harvest, or it may simply specify that the association is the sole bargaining agent for its members.

With control of enough tonnage to be effective, the association’s second important bargaining tool becomes proper awareness of all the problems that go into pricing. A bargaining association with management and members without marketing and economic information equal to or superior to that of the processors across the table can not equal the bargaining strength of the buyer.

A most important requisite for efficient and sound handling of negotiations by both seller and buyer is economic information of a type which allows thorough analysis of current problems in the industry and in the market.

Bargaining ability is attained through a knowledge of market facts, proficiency in evaluating them, and skill in applying them in transactions.

Each side of the bargaining table needs accurate information on factors affecting the supply of the particular crop: the amount; the various grades and sizes; the varieties; the time available for marketing; particular methods of marketing, or marketing programs; and adequate information regarding competing crops in local, national and international areas.

A bargaining association’s management and directors must be familiar with the total pack produced the previous year, the movements, the current stocks, and carryover at wholesale and retail levels and the price trends at those distribution levels.

Most crops are affected by national conditions, even though they may be sold to a limited number of processors in a given area. Therefore, all angles of the supply situation should be analyzed: trends in general economic and business conditions; trends in buying power of consumers; trade preferences of buyers for specific varieties or types of the product; trends in per capita consumption and the amounts used fresh, canned, frozen, or in other forms; and the economic relationships between those important variables and the extent to which they influence prices.

The need for up-to-date economic information in cooperative bargaining is year-round. Although the actual sale of the crop may take place in a few days, that day must be prepared for throughout the year.

Price Objective

When farmer cooperative bargaining associations are developing a price policy they should seek to establish a price high enough to make it worthwhile for producers to stay in the market and continue to produce a high-quality product. However, the price should not be so high that it will bring about an undue increase in production. Neither should the price be so high that retail prices will be increased to a point where the commodity is priced out of the market.

Bargaining strength of an association depends greatly upon knowledge of production and market, and proficiency in evaluating and applying that knowledge during negotiations.

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New Species

of bedbugs from Africa

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Bedbugs that attack bats were collected recently in Egypt and in the Belgian Congo—areas that represent diverse types of habitat.

One remarkable genus—Stricticimex—was described five years ago from South Africa. Last year another species was discovered by dynamiting rock cliffs in the Sahara Desert. Later a third species—which transmits Trypanosome parasites in bats—was discovered in a cave on the shores of Lake Tanganyika.

A new species of the genus Leptocimex was found in a tunnel dug by grave robbers centuries ago in the smallest of the three great pyramids at Giza. The discovery is exciting because the new species has the most highly evolved internal reproductiv system of all bedbugs. The spermatozoa are transported through closed tubes from the base of the abdomen to the ovarioles, without the free migration in the body cavity which is typical of most other bedbugs. The new Leptocimex has also a double tubular structure, so that eggs may be fertilized on either the right or the left side of the abdomen. This represents the final stage in the evolution of the reproductive structure and helps to interpret the development of the group as a whole.

Live colonies of several species have been established in Berkeley, so that studies may be made on their biology and host selection.

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