

CHASE & COMPANY

GROWERS' MARKETING AGENTS
PACKERS AND SHIPPERS

FLORIDA FRUITS AND VEGETABLES

SANFORD, FLORIDA

August 29, 1927.

*JCC
I interviewed this party
5 weeks or more ago
& will tell you all about
it*

Mr. J. C. Chase,
Camden, Maine.

Dear Josh:

I spent the entire day Saturday in the Orlando office. A representative of the Federal Trade Commission, from Washington, is in the state endeavoring to assemble data with reference to the the results obtained on the marketing of citrus fruits thru the independent marketing agencies vs. the Florida Citrus Exchange, calling itself a true co-operative organization, the only co-operative and non-profitting organization in the state.

He did not want to compare results of the co-operative organization with those of Gentile Bros. for the reason that the majority of their fruit was either produced on their own groves or purchased, and having a very limited brokerage business. The same applies to the Standard Growers. The American Fruit Growers have everything.

The Exchange stated that if the independents were willing to have him go into their results that it would be agreeable to them for him to examine their records for comparative purposes.

He is now at work on the American Fruit Growers' records, and stated that he would have to segregate the merchandising crops from their contract or brokerage crops.

It being impossible for him to make a state wide comparison he has decided to use results obtained thru packing houses putting up Polk County fruit, uwing the Winter Haven Fruit Exchange as the co-operative organization; the American Growers, either their Haines City or Klem house but I think the Haines City house; and wanted to use our Eloise house, as he felt that the general average of quality of fruit passing thru these three houses would be approximately the same. He is not interested in checking the

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operating expenses of the packing houses, but takes the fruit after being packed, on an f.o.b. packing house basis.

Mr. Pratt, Bogue, and I were interviewing him. He stated that he was not interested in any of the activities from the grove to the packing house. Mr. Pratt suggested that in order to have the right kind of a comparison he should base his findings on the field crate delivery to the packing house, and check that against the packed crate output. That would disclose the amount of fruit culled out, sent to the cannery, or put in the third grade. Mr. Edward Fisher, the examiner, could not see that that would have any bearing on the situation. I finally asked him if the Federal Trade Commission was endeavoring to ascertain the net results to the grower, or producer, on a given amount of fruit produced or whether they were trying to ascertain which packing house graded the best and got an extreme price for a very limited quantity of first grade fruit. After about a half hour's talk the light of day dawned, and he stated he saw our point, and would have to go back and get some additional data in order to complete his investigation in one or two points where he had been working.

As I understood it the American Fruit Growers, and often the Exchange, only pack out about 80 per cent of the bulk fruit which comes to the house, whereas we pack out almost box for box, except on an occasional crop where there is a heavy cullage account of scab or other defects. After he agreed to base his findings on field crate deliveries we told him we had no objection to his reviewing our records.

He is to separate the auction results from the F. O. B. results. He can get nearly all the information he wants from the averages we have already prepared. The only thing he will have to take into consideration is the destination, without using the name of the dealer who gets the car.

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The information he gets from all these organizations will be held strictly confidential, and it is likely it will be two or three years before they are compiled in a report and go to Congress, and when it does nobody's name will be used.

This man is sent out by the Federal Trade Commission for the reason that on March 17, 1925, following a meeting of some agricultural convention which was held in Washington, and to which you were a delegate, it was requested that this data be compiled as a guide for further and future legislation on the part of Congress. The interview with this man was very interesting and enlightening. He admitted that there were a large number of so called co-operatives who fell short, for some reason or another, in being classed as 100 per cent co-operative institutions, and were barred from preferred assistance of the government.

After talking with many people interested in the industry he seemed to feel that there should be a comparative statement rendered with reference to the Orange County citrus movement, and selected Isleworth to check against the Winter Garden Exchange. Both houses are equipped with pre-cooling, and the fruit handled is very similar as to quality. The bulk of their fruit is forwarded to auction. I told him that the average auction results would not disclose the information I thought they wanted, and it would be necessary for him to check from the auction sales prices obtained on each size and grade, and then make comparison of such findings.

I am satisfied that Mr. Fisher got some real information from the conference we had together, and some very valuable information. He told me that he did not want to appear as handing out any compliments, but that quite a number of the Exchange people had stated that we had always been fair in all our dealings, held an enviable reputation, and we were such nice people they did not understand why we had not joined the Exchange.

I expect to visit Orlando tomorrow afternoon, and see how this party is getting on. Mr. Pratt and Patterson

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were leaving Orlando this morning to make an inspection tour of all districts, including Manatee and Dunedin, spending enough time at each place to get an insight into the present status of the first bloom fruit, as well as the late bloom. They will probably be absent the entire week.

Randall and I drove to Gainesville yesterday, going via Crescent City and returning via Ocala and Leesburg. We stopped at Crescent City, but Mr. Shiver was not at home and Mrs. Shiver did not know just where we could locate him, so we did not tarry. Groves all thru that section look thrifty and well, but with few exceptions the groves in sight of the highway have a light crop, including our own groves. The same condition applied to groves we passed prior to darkness on our return trip. We got caught in the rain near Weirsdale, and remained in it until after we got past Mount Dora.

Our trip yesterday was to inspect Tung Oil orchards, or groves, which were planted two or three years ago around Gainesville. The three year old trees are producing quite some nuts this year. The Isleworth Tung Oil trees also have a crop of nuts. Next year, however, according to Mr. Williamson who seems to be an authority on the Tung Oil business, we should have a larger crop. He states that at four years and thereafter the trees should increase in production quite rapidly, if given proper attention. In 1928 they expect to have a Tung Oil factory in Gainesville ready to take care of the crop that season. This year's crop will be sent out of the state to have the oil extracted.

Yours very truly,

S.O.C.
If you leave Camden on 18th when do you figure on reaching Phila. & what is your date for leaving there for Asheville & approximate date of arrival. *My* *kind* *will* *sent* *Laura*.
I hope to get back to Asheville about Sept 15. for four days.

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