July 14, 1961

Mr. W. Douglas Kouns Asheville Livestock Yard Box 8067, Grace Station Asheville, N. C.

Dear Mr. Kouns:

This is to acknowledge receipt of your letter of July 7 addressed to Mr. D. S. Weaver.

We are investigating the instances described in your letter. We will wish to discuss these matters with you as soon as we have had an opportunity to thoroughly check them.

Yours very truly,

J. C. Williamson, Jr. Assistant Director

JCW:mfh cc: R. W. Shoffner G. C. Dobbins Animal Husbandry Specialist



AGRICULTURAL EXTENSION SERVICE

COOPERATIVE EXTENSION WORK IN AGRICULTURE & HOME ECONOMICS NORTH CAROLINA STATE COLLEGE • RALEIGH, NORTH CAROLINA

July 13, 1961

MEMO TO: Mr. R. W. Shoffner Ricks Hall

Dear Bob:

In reference to letter of Mr. W. Douglas Kouns, dated July 7, 1961, I have the following comments:

- Regarding paragraph 2, of the letter, I would like to state that
 I have never been on the farm of Mr. Charlie Ballard and have no
 idea even as to the county it is located in. I have never tried
 to buy any cattle from Mr. Charlie Ballard at any time.
- 2. In regard to paragraph 4, of the same letter, I did tell Mr. Kouns, following his sale of October 11, 1960, that he had the highest average of the four Asheville sales. I did not release this statement to the press and have no knowledge as to what was published regarding this or other Asheville sales.
- 3. Some of my friends have read the reference letter and suggested that I should institute legal proceedings against Mr. Kouns. However, it is my feelings that a man who would stoop so low as to write you an obvious lie about me can do no damage to my character.

A. V. Allen

J.V. Allen

Animal Husbandry Extension Specialist

July 11, 1961 Say - Ruso.

TO: R. W. Shoffner

I am sending you herewith a letter written by Mr. W. Douglas Kouns of the Asheville Live Stock Yard dated July 7. I am also sending you enclosed a letter from Mr. Kouns dated May 30, together with a carbon copy of a letter that I wrote to eight people including yourself on May 31. Also a carbon copy of a letter prepared for my signature on June 7 is attached. This June 7th letter was composed by the people named on my letter of May 31 and given to me by J. C. Williamson, whom I asked to serve as chairman of a group to prepare the letter.

I particularly call your attention to the letter of July 7 in which Mr. Kouns states that: "If you cannot see your way clear to help us with our problem, we will have no alternative but to turn to the people of the state through the press". I had gathered that the matter had quieted down but apparently Mr. Kouns is not happy over the situation.

I am sending a carbon copy of this letter to you to Mr. J. C. Williamson, one to Mr. Jack Kelley and one to Mr. Grover Dobbins.

I do not know any of the details about the situation other than those expressed by Mr. Kouns.

If I can help you on this matter, I will try to do so.

Sincerely,

David S. Weaver

DSW: gh

cc: J. C. Williamson Jack Kelley Grover Dobbins

Hong blue 418-A 11 49954
North 7649759

ASHEVILLE LIVE STOCK YARD

DIVISION OF ASHEVILLE LIVE STOCK & IMPLEMENT CO., INC.

CATTLE . HOGS . SHEEP - AUCTION SALE EVERY FRIDAY AT 1:00 P.M.

RIVERSIDE DRIVE

BOX 8067, GRACE STATION ASHEVILLE, N. C.

TELEPHONE AL 2-6925

July 7, 1961

Mr. David S. Weaver, Director, Agriculture Extension Service, North Carolina State College,

Dear Mr. Weaver,

Your letter dated June 7th was received on July 6th at this office. We appreciate your reply and the privilege of stating some factual experiences that we have encountered.

In regard to your employees buying cattle directly from the farmer. During our last steer sale in the fall of 1960 Mr. A. V. Allen took his lunch hour to go to the farm of Mr. Charlie Ballard to look at Mr. Ballard's steers. He offered Mr. Ballard a price for his cattle but this figure was turned down. These cattle had been assigned to the Asheville Livestock Market so when the steers reached the yard and before they were weighed in, Mr. Allen again tried to buy the cattle saying that he had a "special order" and that Mr. Ballard would save the commission. The cattle did go through the barn and according to Mr. Ballard's story brought more than was offered by Mr. Allen. Do you think we can feel kindly about your special orders when most of them are filled in this manner?

Another case involving the county agents and the producer is told by Mrs. Sterling Ferguson of Madison County. Each year the county agent of Madison County calls Mrs. Ferguson not once but many times urging her to put her steers in the sale at Western Carolina Market. Last year he not only called her several times asking her to favor our competitor but at nine o'clock the night before that sale he called and asked her to send them to Western Carolina Market and although there is a deadline for assigning cattle he would see that her cattle were taken into the sale.

I could name other instances where favoritism has been shown. On one occasion Mr. Allen told us that we had the highest dollar average of any sale in the state to that date. Yet, when the average was put in the paper it was under our competitors price. Our own county agent told us that a "mistake" had been made but of course he couldn't tell the farmers of W. N. C. about it.

This type of competition is unfair and unjust and we feel that we

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have taken this abuse just about as long as we can. We have adequate facilities in the mountain region to handle the sale of livestock. An educational program is always welcome, but for state and county officials to move into a market for one or two days a year and take part of the commission for doing it has the flavor of the so-called "payola".

I am asking that you see to it that your employees get out of the marketing of livestock in Western North Carolina. When you review your "policies" you may be surprised how they have been used. If you cannot see your way clear to help us with our problem, we will have no alternative but to turn to the people of the state through the press.

Very truly yours,

W. Douglas Kouns

cc to Governor's Office

COOPERATIVE EXTENSION WORK

IN

NORTH CAROLINA STATE COLLEGE OF AGRICULTURE AND ENGINEERING, NORTH CAROLINA COUNTIES AND UNITED STATES DEPARTMENT OF AGRICULTURE COOPERATING

AGRICULTURE AND HOME ECONOMICS STATE OF NORTH CAROLINA

POST OFFICE BOX 5157

STATE COLLEGE STATION, RALEIGH, N. C. ...

EXTENSION SERVICE

Mr. W. Douglas Kosns, Managor Ashaville Livertock Yards, Inc. Ashaville, N. C.

Cour Mr. House:

These you for your letter of May 30 concerning livestock marketing in Mentern North Caroline. The Morth Caroline Agricultural Extension Service has ealth tained an interest in the production and marketing of livestock in Mestern Morth Caroline for many years. We believe that the satisfactory cattle prices referred to in your letter are in part due to our programs. For this reason, we are pleased to reply to your letter. Your letter raises four major points. I will extenpt to answer each of the four in order.

Your first point has to do with the purchase of caffie by state buyers who tash leave them on the market unclaimed. We solicit your assistance in advising us of specific instances, past or future, involving our personnel. However, we have reviewed this point with the members of our staff who have classest confact with the caffie section sales in Mestern North Coroline, and we have not discovered any instance in which an Extension worker has conducted blessif in the manner you described.

Our personnel have, on come occasions, purchased saftle on auction markets for certain responsible beyons who could not be represented at the sale and who respected the Judgment of our staft members in appraising cattle. While this is a practice which we wish to ministry, its occurrence in the past should have increased the buyers' strength on such sales to the advantage of both the salier of cattle and the market operator. He will thoroughly review our paticy on the circumstances in which this service will be rendered by our personnel.

Your second point has to do with direct-at-the-fers buying of cattle by state employees. We have not discovered any instances of this practice by Extension personnel, but again we will approclate any information of specific instances about which you may have information.

Your third point has to do with the organization and operation of the special cattle sales in the Ashavilla erea; and particularly with respect to the responsibilities and rights of the three men -- Nr. Landon Roberts, he. Herry Nettles, and Mr. L. E. Pander -- elected late this past winter as Sancombe County representatives to the Ashavilla Area Steering Committee on Special Cattle Sales. The representatives from Duncombe County are but three of nine members of an Ashavilla Area Steering Committee. The Ashavilla area consists of the three counties of Suncembe, Heywood, and Medican, and three

mosbors of the steering committee are selected from each. There are in North Carolina a total of ten market press, each represented by a special cattle nales committee. Each market eros has two votes on a state-wide Special Cattle Sales Committee -- one vote for a market management representative and one vote for a farmer representative. Representatives from each market area to the State Committee are selected by the mine-man market area steering committee. Each winter following the special sales, the State Committee meets and reviews the volume of cattle sold on each sale, their quality composition and their overage price. From these fectors, the State Committee approves special sales for each seriot area for the coming fail. The market area steering committee, elected late each stater, ectually has a term of office beginning at time of election and continuing for one year. During that time, they review sales results in their seriot pres and elect and instruct representatives to the State Consittee. This means that the cattle sales which the three above named sen and their six colleagues on the Ashevillo Area Steering Committee will observe and depraise will occur in the fall of 1961. It also means that they, through their elected representatives to the State Counities, will approve special certie sales to be held in the fall of 1962.

Your tourth point has to do with county extension agents pressuring formers to consign their cattle to certain sales. It is the policy of the Agricultural Extension Service to provide only educational assistance to farmers and others in activities related to agriculture, and to do so in an objective sanner. No believe that our employees have and will conscientiously try to conform to this policy. However, we will remind our county personnel in your area of this policy so that they may review their practices to be cortain that they conform to this policy.

it is possible that even the presentation of factual information may appear to show favoritism for one market over another. For example, we keep a record of cattle prices on all special sales and make these records available to the public. If in the past the average price of cattle has been higher on one sale than on another, formers may interpret this as meaning that one market is superior to another.

we are interested in the promotion of good, efficient markets for livestock in Mestern North Carolina. We believe you share this interest. For this reason, we welcome an opportunity to discuss problems of mutual concern in livestock marketing. At your convenience, we might objectively review conditions in our livestock economy, such as the sperse production of lambs which gave rise to the leab pools, and the kinds of marketing arrangements which may maximize returns to the livestock industry.

Very truly yours,

David S. Weaver Director

May 31, 1961

TO: H. B. Jemos R. W. Shoffner J. G. Williamson George Myaff Jack Kelley C. E. Sishop Guy Cassell Grover Dobbins

Please note contents of the attached copy of a letter on livestock marketing in Western North Carolina from W. Douglas Kouna, Manager of the Asheville Livestock Yards, inc.

I am asking J. C. Williamon to serve as Chairman of an informal committee composed of you men to prepare a letter for answering Mr. Kouns. As early a response as possible will be appreciated.

Sincerely,

David S. Weaver Director

DSW1 gh

Attachment

Mr. Dave Weaver North Carolina Extension Service State College Raleigh, North Carolina

Dear Mr. Weaver:

We would like to bring to your attention a condition that exists in the marketing of livestock in Western North Carolina that has been a source of concern to us for the past several years. Because it deals with state and county officials and state and county employees it has been a difficult situation to confront.

State and county officials have taken over the marketing of a large number of cattle in each livestock market in the fall. These officials function without the payment of license, bond or taxes. They are privileged to buy cattle for others without assuming any of the financial responsibility for collection. On occasions these state buyers, in order to cover their own misjudgment, will leave cattle on the market and the loss from these resales will often take up most of the commission left from the sale after the county and state get their part. In addition to buying on the established market, state employees canvas the area to buy direct from the farmer using as an argument that the farmer can sell to them cheaper because they have no commission to pay.

Marketing of cattle in this area is seasonable and the markets operate in the red through eight months of the year and it takes the fall run of cattle to make any profit at all.

Competition in any business is healthy and this market is willing to take its chances with any legitimate competitor, but to have to compete with county and state officials whose salaries we help to pay we feel is unjust and unnecessary.

You will be told that committees are appointed and these committees set up steer sales as well as special sales. We were told for several years that the committee in Buncombe was so appointed. We asked that we be notified of this meeting and we attended. In addition to my wife, Mr. L.E. Ponder and his wife, there were four farmers present and that group, with the three Buncombe County agents, made up the meeting. Mr. E.V. Allen from State College spoke for over an hour to just four Buncombe County farmers. It was an apparent waste of time and talent as well as the State's money. Following this talk Mr. Riley Palmer asked for nominations for the steer committee and Mrs. Kouns placed in nomination the names of Mr. Landon Roberts, Mr. Harry Nettles and Mr. L.E. Ponder. They were duly elected. These men have tried to function as a committee but have been told that the steer sales have been set up by State College officials and last year's committee which is a move to by-pass a committee they cannot control. We also have adequate proof that pressure is put on the seller by the county agent to consign his cattle to certain sales. This is one of the real dangers in an apparently innocent set-up.

I hope that something can be done at this session of the legislature to get the state officials and the county agents out of the marketing of livestock before it is destroyed in the same manner as the competitive lamb market has been destroyed by the lamb pools set up by the same agencies.

At the present time Western North Carolina has seven markets with good facilities for handling the livestock raised in this section. Buying power is strong and proof of this is the high prices that the farmer receives on all grades of cattle. These prices compare favorably to any section of the United States.

We feel that the state and county officials should confine their efforts to an educational program and we will be more than willing to give our full cooperation to this phase of the work.

Very truly yours,

ASHEVILLE LIVESTOCK YARDS, INC.

1) Douglas Kouns, Manager

WDK/dbs