quality, and amount of the products they send to market are concerned? These farmers are also somewhat less than full-fledged family farmers in the old American tradition.

And finally I see a very real threat to the family farm system—a very real possibility of corporation takeover—in the rapid increase in the numbers of supersized family farms.

Let me explain what I mean.

Between 1954 and 1964 there was a 122-percent increase in the number of farms that have annual gross sales of more than $40,000.

By 1964 this group of farms, which then totaled 140,000, was producing 37 percent of the marketed farm products.

Now, first of all, I see a threat to the family-type farm when that small a number of farms can produce that large a percentage of our marketed farm products.

But the economists tell us that these farms are family owned and operated.

That may be the case. But how long can a group of 140,000 farms that have enough size and capital resources to produce 37 percent of our farm products remain as family farms?

It is my contention that these farms will only remain family farms when some young man is both lucky enough to inherit one, and capable enough to take over the management reins.

I greatly fear that we will find ourselves in the next few years watching these farms pass into the hands of the only agents who have access to the kind of capital needed to acquire these properties—the managers of the rapidly growing conglomerates.

Some idea of what it would cost to obtain one of the farms that produces 37 percent of our marketed farm products can be gained from the most recent USDA study of a group of typical farms.

Here are two examples; neither are a part of the group we have just been talking about.

But even on these farms I think we are facing a transfer problem.

Take the typical cash grain farm in the corn belt. The investment in that farm has now reached the level of $203,000. Only 10 years ago the investment in its counterpart was $97,000. Less than half the present figure.

Senator NELSON. May I interrupt? Is it the same size farm operation?

Mr. BERTSCH. This is the typical grain farm—cash grain farm and it is not the same size.

Senator NELSON. It's a larger farm?

Mr. BERTSCH. It's a larger farm.

Or take a typical cattle ranch in the Southwest. The capital invested in that ranch is approximately $205,000 compared to $141,000 10 years ago.

Senator NELSON. With more cattle?

Mr. BERTSCH. That's more cattle and acres. It represents a merging, a consolidation of family-type ranches into supersized family ranches.

Senator NELSON. You used the word "typical." How are you using that word?

Mr. BERTSCH. Typical is average. This is the average size of cattle ranches in the Southwest.