

tured at Yazoo City and due to an increase in water availability on the Yazoo River during the months of October, November and December, 1967, 13,580 tons of nitrogen solutions were shipped by barge to these storage facilities at a considerable savings; however, because of the limited water level, the majority tonnage of this product had to be shipped by rail at a higher transportation cost.

Mississippi Chemical Corporation is also manufacturing products for export. We are presently shipping 5,000 tons of urea by rail to the Port of Pascagoula. It is most important in the export market that our prices be competitive as possible. Lower freight costs means the lower our overall prices will be, thus enhancing our chances to better compete in the world market. There is a limit to the amount of such business we can expect under present conditions. We do not know what the future holds, but it is likely that barge movements to ships on the Gulf Coast would certainly improve our potential in this market.

In addition, we have just completed a 25,000 ton dry bulk storage facility at Liberty, Texas, on the Trinity River and feel that we have a potential to move a substantial tonnage of urea from Yazoo City to this location. Adequate water availability for this movement on the Yazoo River would further enhance our ability to lower the distribution costs.

Plans are now being made to establish bulk storage for dry materials, which will include urea, for the Northeast Arkansas and North Alabama areas. These facilities will be established on water.

Two years ago, MCC and CCC came on stream with the first 1,000 ton/day anhydrous ammonia plant and the first 30,000 ton refrigerated storage facility. This alone is an indication that we are among the leaders in the fertilizer industry. Moreover, we recently doubled our nitrogen solutions and urea productions. All of this indicates more transportation utilization for the Yazoo River.

More specific, this past year we shipped approximately 75,000 tons of anhydrous ammonia to points which could be served by water transportation. Had the Yazoo River been available for this distribution, considerable transportation savings would have been experienced.

In planning further expansion programs in the Yazoo City area, we are limited in the types of production we can consider due to the limitations imposed by the lack of proper water transportation for raw materials. Recently, a new fertilizer processing operation was approved for another of our locations primarily because of the lack of a year-round navigable channel which is necessary to move in the raw materials. We are also in the process of building a 1,200 ton/day urea plant and a 1,000 ton/day anhydrous ammonia plant at still another location which can be adequately served by water. The ideal situation is, of course, to build production facilities near the center of the distribution area, but if the lack of adequate water availability dictates building elsewhere, transportation costs are not minimized as they should be.

With the rise in costs of raw materials, production and labor, transportation is playing an ever increasing role in an attempt to reduce overall costs in the manufacturing of fertilizers. It is imperative for us to continue to furnish the farmers with their fertilizer needs at the lowest cost possible and our future operations are highly dependent upon water availability. The outcome of approval for much needed proper water facilities on the Yazoo River is of utmost importance to our companies to meet this demand.

STATEMENT OF W. S. STUCKEY, MANAGER, COOPERATIVE ELEVATOR CO.,
GREENWOOD, MISS.

I am W. S. Stuckey, Manager of the Cooperative Elevator Company of Greenwood, Mississippi, a department of Farmers Supply Cooperative AAL, Greenwood, Mississippi. I represent, and have for the past twelve years, the interests of 350 plantation and farm owners in Leflore and adjoining counties of Mississippi, specifically in the field of grain and soybean marketing and storage.

It is well known and understood by economists that the agriculture strength and expansion of an area must have roots to three major qualifications. First, fertile land; second, efficient and educated producers; third, and the most important, the efficient market systems to give him the correct value for his production. This market value is at present, and has been for some time, the deep concern of this area.