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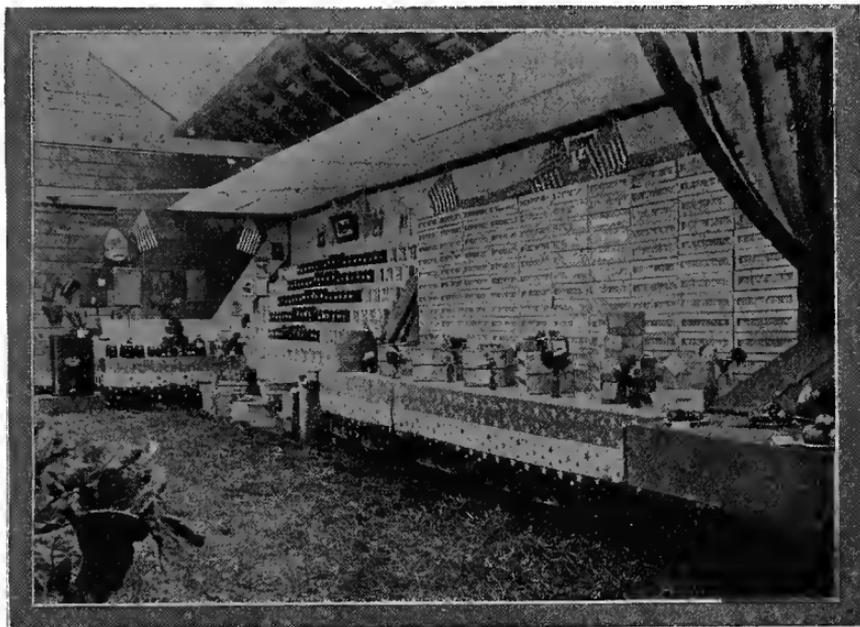
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MARKETING HONEY



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MARKETING HONEY

B. A. SLOCUM, *Extension Specialist in Apiculture*

The marketing of honey is as important as the use of proper methods in its production. Even the successful producer may fail if he cannot dispose of his product. Every beekeeper is entitled to a fair price for his honey, although the price he will receive depends upon his marketing ability. There is a need of cooperation among beekeepers in creating a demand and marketing their products. To obtain a fair price the beekeeper must be familiar with market conditions and the cost of production.

A beekeeper can keep in touch fairly well with market conditions by obtaining the semi-monthly report on honey from the Bureau of Crops Estimates of the Department of Agriculture, Washington, D. C. This bulletin gives the telegraphic reports of actual honey sales upon the leading markets, as well as crop prospects, amount of honey carried over from the previous year, and the condition of the bees. Bee magazines also give market reports, conditions of bees over the country, together with a fund of other valuable information.

COST OF PRODUCTION

In determining the market price of honey the producer should consider the cost of production as well as the supply and demand.

The following simple plan for determining the cost of production may be used:

INVENTORY

	No.	Value
1. Inventory of colonies: Beginning of year.....		\$.....
2. Inventory of colonies: End of year.....		\$.....
3. Increase or Decrease in colonies.....		\$.....
4. Pounds of honey produced.....	Value \$.....	
Expense		
5. Total cash expense.....	\$.....	
6. Charge for unpaid labor.....	\$.....	
7. Buildings used for apiary:		
8. Interest at 6% on inventory value....	\$.....	
9. Decrease in inventory of buildings....	\$.....	
10. Taxes and insurance.....	\$.....	
11. Equipment and supplies used for apiary:		
12. Interest at 6% on inventory value....	\$.....	
13. Decrease in inventory of equipment and supplies.....	\$.....	
14. Taxes and insurance.....	\$.....	
15. Decrease in inventory of colonies (if any)	\$.....	
16. Interest at 6% on investment of colonies...	\$.....	
17. Management charge.....	\$.....	
18. Total.....		\$.....

Miscellaneous Credits

19.	Increase in inventory of colonies (if any)	\$-----
20.	Increase in inventory of buildings.....	\$-----
21.	Increase in inventory of equipment and supplies	\$-----
22.	Credit for colonies sold.....	\$-----
23.	Credit for reared queens at \$1.50 each.....	\$-----
24.	Value of wax produced.....	\$-----
25.	Total	\$-----
26.	Total expense (line 18).....	\$-----
27.	Subtract miscellaneous credits (line 25).....	\$-----
28.	Net Cost	\$-----

Net cost (line 28) divided by the number of pounds of honey produced (line 4) equals the cost per pound. If the price of containers and cost of selling the product have been added in with the expense, the cost per pound represents a figure above which profits would accrue. The price of honey should be this figure plus a fair profit, dependent upon supply and demand.

If one wishes to determine his profit at the end of the year, he may find this by adding his miscellaneous credits (line 25) and the value of the honey produced (line 4) and then subtract his total expense (line 18).

(Outlined by R. N. Miller, Extension Farm Management Specialist.)

Market Grading

Price is determined by grading, packing, and the attractiveness of the product. An increase of several cents per pound may be obtained if proper attention is given to grading and the type of package. A neat, attractive container almost sells itself.

Scraped sections of comb honey should be placed in a pile, for, "By thus having a large number of sections in each grade from which to select there is a greater opportunity for making the sections of honey in each case more nearly uniform as to weight and the various shades of finish. Such uniformity is especially desirable from the standpoint of the retailer."

The majority of the beekeepers of this state use the Colorado grading rules, which are as follows:*

No. 1. White—Sections to be well filled and evenly capped, except the outside row next to the wood; honey white or slightly amber, comb and cappings white and not projecting beyond the wood; wood to be well cleaned; cases of separated honey to average 21 pounds net per case of 24 sections. Cases of unseparated honey to average not less than 23 pounds net per case of 24 sections.

No. I. Light Amber—Grading description similar to the one given above for No. 1. White.

No. II. This includes all white honey and amber honey not included in the above grades; sections to be fairly well filled and capped, no more than 25 uncapped cells, exclusive of the outside row, permitted in this

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grade; wood to be well cleaned; no sections in this grade to weigh less than 12 ounces. Cases of separated honey to average not less than 19 pounds net. Cases of half-separated honey to average not less than 20 pounds net per case of 24 sections. Cases of unseparated honey to average not less than 21 pounds net per case of 24 sections.

Packing

It is necessary to pack the sections carefully so they will reach the market in good condition. If this is not done, no amount of grading will produce results. Comb honey is usually packed in cases which hold 24 sections and have glass fronts which display the contents to advantage. The sections within each case should be of uniform grade. Some beekeepers are shipping smaller packages of honey to customers by parcel post. A recent issue of the American Bee Journal gives a very good method of packing honey to be sent in this manner. "Wrap the section of honey in paraffin paper and place this inside the regular comb honey carton. Place this in a light wooden box without ends and enclose the whole in wrapping paper. Encase this in two inches of excelsior and enclose it in a strong corrugated box, securing carefully with a strong string." Such packing as this adds to the price of the honey. However, there is a possibility of working up a fancy trade by means of the parcel post.



If extracted honey is sent through the mails in a friction-top pail, the cover should be soldered on and the pail enclosed in a wooden box with proper corrugated packing. A better container for shipments through the mails is the screw-cap can. It can be packed in the same manner as a friction-top pail. Some beekeepers who ship large quantities of extracted honey to the market send it in oak barrels which previously contained alcohol. They are gummed inside to prevent the leakage of alcohol which also answers the same purpose in the case of honey. Others ship by the sixty-pound can.

Packages

For retail trade, honey should be placed in neat, attractive packages. Beekeepers are beginning to market their section honey in cartons, usually one section to a carton, giving the honey a more appetizing appearance and preventing the accumulation of dust.

Producers of extracted honey are marketing in one or two-pound glass jars, and in two, five, and ten-pound friction-top pails. Neat labels which catch the eye are excellent salesmen and cannot be over-emphasized.

Establishing a Local Market ↖

After the honey has been prepared for the market, means of disposal should be considered. The producer should decide whether he will sell locally or through a commission house. Commission houses are of great benefit and aid to the beekeeper, but before dealing with them, he should obtain proof of their honesty and stability. Care should also be taken in sending honey to them at a time when there is little danger of over-supplying the market and consequently lowering the price. It is better for the beekeeper to dispose of his product at home by developing a local trade as there is less danger of glutting the market and he will usually receive a higher price.

There are various ways of establishing a local market. Many grocers place honey behind the counter or in some other inconspicuous place, not realizing that a neatly arranged exhibit would greatly increase the sale. Cooperate with the local grocer and arrange an attractive display in his store by placing a nucleus of bees in the window with the honey exhibit. The bees will attract attention to the display and the beekeeper should be there to answer questions and explain how honey is produced, its food and medicinal value. It would be well to pass out pamphlets containing this information and some good recipes. Give the people a taste of your honey; this may be done by making spoons of strips of paper, one and a half or three inches in width, curled in the form of a trough.

Some beekeepers obtain good results in establishing a market by selling honey from house to house. One beekeeper made the rounds in the morning, giving samples and pamphlets which contained recipes and information about honey. He returned in the afternoon and usually obtained some very good orders.

The apiarist who is near a city, especially if he is on a well-traveled road, can increase his sales by placing an attractive sign, with a few hives of bees, near his home. The sign should be white on a dark background for it will then be readable at a greater distance, or a streamer may be placed across the road.

Another good method of establishing a local market is by means of the county fair which brings the beekeeper in touch with the consuming public. Many beekeepers have sold their entire crop by exhibiting at the local fair. One beekeeper who exhibited at the Grays Harbor County Fair a year ago, took orders for over eight hundred dollars worth of honey. We quote Mr. C. P. Dadant as follows: "We made exhibits at the Iowa State Fair. This brought so many sales that we became convinced that honey could be disposed of locally if only we became known as honey producers. I doubt that beekeepers in general realize the great profit which their business may secure from such advertising as can be had at state fairs." Such articles as cakes, cookies, candies, preserves, and other forms of cookery which contain honey as one of their ingredients, if exhibited in connection with the honey

display, are good advertising mediums. The selling of chocolate-dipped honey, honey and warm biscuits, pancakes and honey, and the like help to create a demand.

Another agency which is a powerful factor in establishing a local market is the newspaper. Surprising results have been obtained by running ads in the local paper. One beekeeper who went into advertising more intensively than others, sent his advertisement to some of the leading magazines and by so doing built up a \$100,000 business. However, the majority of beekeepers have not awakened to the advantages of advertising and do not seem to realize the need for it. A statement was made in the March number (1921) of "Gleanings in Bee Culture," that "fifty per cent of the city people think all honey in grocery stores is manufactured or adulterated." If such is the case it is time to start an educational advertising campaign.

Beekeepers must unite to sell their product at a uniform price. Each pound of honey, like any other piece of merchandise, should have two prices—a wholesale and retail price; the wholesale price for dealers and the retail price for the consumer. Where two such prices are not maintained an injustice is not only being worked upon the dealer, but upon the beekeeper as well.

If honey is to become a staple product, the beekeepers must cooperate not only in publicity, but in distribution and the setting of a uniform price based upon the laws of economics as well as upon quality and quantity.



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