

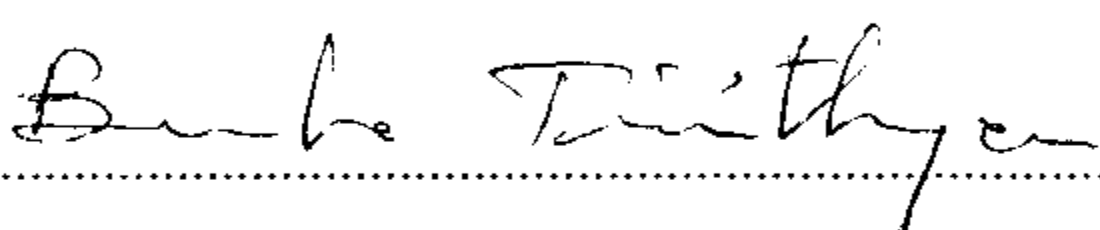
ABSTRACT

Title : Marketing Structure of Tobacco Production : Case Study of Independent Curers of Virginia Type Tobacco in The Growing Areas

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Major Field : Cooperative Economics

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The objectives of this research were to study 1) The cost structure of cured tobacco leaf by comparing the cost of independent curers and that of Thailand Tobacco Monopoly; and 2) Thailand tobacco import and export markets. The data in the production years 1993-1996 were collected and interviewing independent curers of Virginia tobacco in certain growing areas, excise officers, TTM officers, customs officers, independent curers association and export companies. The data were collected for descriptive method.

The study showed that the independent curers were once controled and supported by TTM and the Excise Department and set up the minimum quota and price, now they operated by themselves, using their own funds call independent curers and the quota determined by the Excise Department. The independent curers produce cured tobacco leaf to fill up the quota and sold the remaining quantity to the export company while the TTM-controlled curers produced only to fill up TTM quota.

Some of them did not produce tobacco by themselves; they acted as the middle men between the curers and the buyer. This caused the higher cost due to buying competition when compared to the cost of TTM-controlled curers. The cost of tobacco production for independent curers higher than TTM-controlled curers produced, because of TTM supporting tobacco seeds, fertilizer and chemical to TTM-controlled curers, the independent curers using their own funds.

The study on domestic markets that the TTM has been the main buyer of tobacco for cigarette manufacture and set the minimum price; the export companies have purchased the remaining quantity from independent curers and processed it in various forms to maintain the quality before exporting.

There has been less competition in foreign market because there are only two export companies from the total seven companies in Thailand. The processed tobacco is offered to the customer by sample, price, quantity and time validity for evaluation and decision. The export markets included approximately 65% of European countries, 20% of U.S.A. and 15% of the Asian countries.

It was also found that Thailand tobacco is in the world market demand; therefore Thailand's tobacco production efficiency should be increased to meet the demand. In the present economic situation, the exportation of agricultural products should be promoted to the maximum quantity. Increasing the production will also help local employment and will stop the labour flowing into city because tobacco industry requires continuous employment of labour for the whole process.