Farmer Co-ops in Wisconsin

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The year 1940 marked the one-hundredth anniversary of the first cooperative business enterprise in Wisconsin. A pioneer woman demonstrated that it was profitable to pool the milk from adjoining farms and convert it into cheese in her kitchen. From that humble beginning there has been developed by the marketing and purchasing co-ops in the State today an annual cooperative business amounting to more than $100,000,000.

The recent survey of farmer cooperatives conducted jointly by the St. Paul Bank for Cooperatives and the College of Agriculture of the University of Wisconsin shows that in addition Wisconsin farmers made cooperative sales and purchases amounting to $14,000,000 in the marketing season 1936–37 through co-ops located in adjoining States.

The cash farm income of Wisconsin farmers from marketing livestock products, livestock, and crops was more than $315,000,000 in 1936. The value of Wisconsin farm products sold in the State and nearby States by the cooperatives totaled over $105,000,000 in the 1936–37 marketing season. The figures on cash farm income and co-op sales are not strictly comparable but they do indicate that a substantial portion of the farm marketing is done through cooperative channels.

Wisconsin is the leading dairy State in the Nation. It ranks first in the volume of milk production, in cash farm income from milk and milk products, and in the manufacture of cheese, evaporated milk, dried milk, and casein. In 1938 Wisconsin had between 8 and 9 percent of all the milk cows on farms in the United States, and was producing 11 percent of the Nation’s milk.

Rural Wisconsin is organized chiefly for the production of dairy products and livestock. Well-kept dairy farms dot the landscape. Almost every farm has at least one silo. Pasture land and hay crops comprise almost half of the total farm acreage; on approximately another fourth are grown oats, corn, and barley, the three principal feed crops.

In the 1840’s and 1850’s many American-born farmers from New York, Ohio, and other States migrated to Wisconsin. A considerable number of them had been dairymen “back home.” This State has also been a
land of promise to emigrants from Europe. Beginning about 1840 and continuing for many years, a great tide of Germans and Norwegians settled in Wisconsin—also Swedes, Poles, Czechs, Danes, Finns, Swiss, and nationals from other European countries.

Wisconsin rates second among the States in the number of cooperative marketing and purchasing associations. The Farm Credit Administration has records for approximately 1,200 active associations of these types. The estimated total membership in 1939 was approximately 180,000. This includes some duplications, as farmers may be members of more than one association.

**Co-ops Rank High in Length of Service**

These farmers’ cooperatives also rank high as compared with those in other States from the standpoint of length of life and operating experience. About 50 percent of all which have been organized are still operating today. It is probable that the oldest of the 1,200 marketing and purchasing associations now operating was formed about 1877—more than 60 years ago. All told, more than 60 associations have been operating for 50 years or more. Some of the cheese cooperatives still doing business were organized in the early 1880’s. As in many other sections of the United States, however, the largest number of today’s co-ops in Wisconsin were organized in the years following the end of the first World War—80 in 1919, 60 in 1920, and 50 in 1921.

Dairy cooperatives are far more numerous than any other type of marketing or purchasing association in Wisconsin, just as dairy products are the leading source of farm income. The Farm Credit Administration has records for close to 700 dairy associations in the State. Some 200 cooperative creameries manufacturing butter are located through a broad western area—many of the counties being on the banks of the Mississippi and St. Croix Rivers and also in central, eastern, and northern sections.

More than 400 of the dairy associations are cheese factories, many of them located at country crossroads. Two extensive areas of concentration of these cheese co-ops are in the southwestern section of the State and in the east central counties bordering on Lake Michigan. Approximately 10 milk distributing cooperatives deliver milk to the doorsteps of customers in Milwaukee and other cities. Milk bargaining associations in Milwaukee, Madison, Racine, and other cities negotiate price agreements between their producer-members and distributors.

**Farmers’ Active Marketing and Purchasing Associations in Wisconsin by 10-Year Periods.**

Sixty percent of the farmers’ active associations have passed their majority, having functioned for more than 21 years. Thirty percent have been in business for more than 30 years and 4 percent for 50 years or more. Less than 200 associations have yet to celebrate their eleventh birthday.