

of the quotations established by the cheese exchanges at Plymouth. Although the conversion of the farmers' milk into cheese is a cooperative marketing function, the bulk of the cheese is not sold cooperatively.

*Wisconsin Cheese Producers' Cooperative.*—On the other hand, one large group of cheese factories sells cheese cooperatively through a federated sales organization, the Wisconsin Cheese Producers' Cooperative at Plymouth. This association assembles, warehouses, and sells cheese for approximately 65 cheese factories, 26 of these operating under membership agreements. These member factories supply about 80 percent of the entire production of the federated association. In addition to cheese, the principal commodity, Wisconsin Cheese Producers' Cooperative handles cream for manufacturing and small amounts of other dairy products. The association owns a large warehouse and cheese factory at Plymouth, which is in the heart of the American cheese district, and it also handles cheese from cooperative warehouses at Marshfield, New Richmond, Spring Green, Neenah, Abbotsford, and Greenwood. Each of these warehouses is owned by a separate local organization. Sales of cheese amounted in 1939 to \$1,400,000, other dairy products \$40,000, and supplies \$35,000. The buildings and equipment owned by the association were valued at \$32,000 in 1939. Patronage dividends for that year's business were more than \$10,000 on cream and supplies, \$2,000 being paid in cash, and over \$8,000 in the form of revolving certificates of participation in earnings.

The cooperative was organized in 1913 as the Sheboygan County Cheese

Producers' Federation. Four years later it was reorganized as the Wisconsin Cheese Producers Federation. In 1920 a supply department was opened. In 1928 the association became the National Cheese Producers Federation. Before 1934, the cheese cooperative was merely an organization assembling cheese, which it sold to the other cheese dealers. In 1934, however, in order to reach the retail market outlets, an agreement was entered into whereby the bulk of its products would be sold by Land O'Lakes Creameries, Inc., of Minneapolis. The cooperative as now constituted was formed in 1935 as the successor to the earlier organizations.

## **Bargaining Co-ops Help Stabilize Markets**

Cooperative milk bargaining associations represent the producers located in the "milkshed" areas of a number of Wisconsin cities by making arrangements for sales and effecting agreements on the prices to be paid and the terms of sale for milk and cream sold to city distributors. Their major objective is to obtain as high prices for the producers as market conditions permit. Such cooperatives are helping to stabilize the fluid milk markets in Milwaukee, Madison, and Racine, and in a number of other Wisconsin cities—Waukesha, La Crosse, Stevens Point, Oshkosh, Sheboygan, Appleton, Eau Claire, Manitowoc, Watertown, and Chippewa Falls.

Under the State Milk Control Division, which has operated since 1933, prices are established through market orders for the principal population centers. Prices are fixed in collabora-



Location of Cooperative Cheese Factories in Wisconsin, 1936.

Dots show number of co-ops in a county but not exact location.

tion with local interests, however, the cooperatives representing their members. Wisconsin producers sell fluid milk to Chicago distributors also, many of these producers being members of the Pure Milk Association, which carries on bargaining activities in the Chicago territory.

### Associations Render a Variety of Services

It is customary for producers to authorize a distributor to deduct a few cents for each hundredweight of milk and to pay these deductions to the bargaining association for operating expenses. The distributor makes payments direct to the producers. Different bargaining associations, however, render a variety of services to their members. Some of them, for example, furnish laboratory testing services, operate plants for the manufacture of

surplus milk, control haulers' truck routes, or handle producer pay rolls.

*Milwaukee Cooperative Milk Producers.*—Largest of the Wisconsin bargaining associations is the Milwaukee Cooperative Milk Producers, representing 2,800 dairymen of the Milwaukee milkshed. Fluid milk valued at \$5,580,000 was sold in 1939 by producers to Milwaukee distributors through the association. Monthly conferences are held with distributors to discuss economic conditions affecting the market and prices to producers. Although the State Milk Control Division establishes minimum prices, the association may negotiate higher prices or may request the division to change the established prices. The association has made arrangements for the distributors to process milk that is in excess of fluid milk requirements.

The chief objective of the cooperative is to stabilize the market for milk producers and get for them a fair share of the consumer's dollar. In addition it performs many services. Extensive check tests and laboratory tests are made. Other services include individual herd tests when requested by members, advisory assistance by the fieldman at the farms of members to improve the quality of milk, appearance of a representative with any member before the health department when a difficulty arises, purchase and resale of dairy equipment at minimum prices, adjustments in prices when need arises, and the sponsoring of a check of dealers' books to insure the accuracy of their reports. When proposed legislation that would affect the interests of dairymen is pending, they are represented by the association before legislative bodies.