

Consolidated Badger Cooperative.—

The Consolidated Badger Cooperative at Shawano in northern Wisconsin is one of the large associations selling a variety of dairy products. Wholesale and retail sales of milk and cream aggregated \$650,000 in 1939, and other dairy products were marketed for over \$1,350,000. Millions of pounds of whole milk were manufactured during the year into such products as evaporated milk, butter, milk powder, cheese, and ice-cream mix. Many of these manufactured products, especially butter and evaporated milk, are sold through Land O'Lakes Creameries, Inc. Milk is not manufactured into butter when it can be used for a product that will yield a higher net return. The co-op has a large up-to-date plant at Shawano. It owns and operates branch plants at Eland, Tigerton, and Bonduel, in Shawano County, and another at Appleton in Outagamie County, which borders Shawano County on the south. The Appleton plant was taken over when a group of farmers there became members of the Badger co-op in 1938.

The association ships to the Chicago market a large volume of cream and some milk for those producers whose farms have been inspected for the sale of milk on the Chicago market. In Appleton and other areas in the Fox River Valley, the co-op sells at wholesale and retail fluid milk and cream, as well as other products such as cheese, butter, chocolate milk, and an orange drink.

All told, more than 1,400 farmers are patrons of this co-op. The association reports that the average price patrons received in 1939 for all milk was 19 cents per hundred pounds

higher than the average paid in the entire State. When the association was formed 9 years earlier, the average price received in Shawano County was 12 cents less than the State average. Organized on a capital-stock basis, the cooperative has paid a patronage stock dividend on a butterfat basis each year since 1933. At the end of 1939 these dividends totaled more than \$189,000, which was 44.6 percent of the amount invested in common stock.

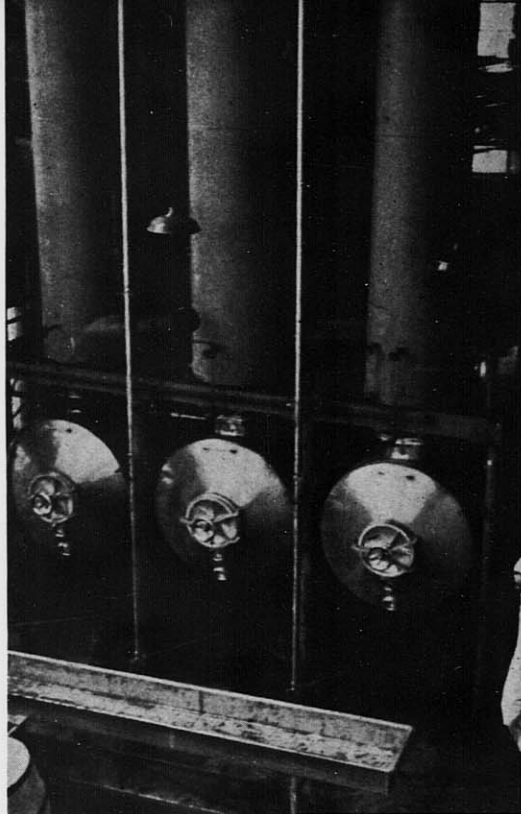
Not long after the organization of the co-op in 1930, the management was faced with many serious problems due to low milk prices resulting from the economic depression. At that crucial time the decision was reached to keep the members informed at all times of problems and policies. As a result the co-op has been able to develop membership responsibility throughout the territory as well as strong membership support. Keeping the farmer-directors currently advised of the status of all departments of the business is another constructive activity of this farmers' organization. A semi-monthly operating statement is prepared for the directors, as well as monthly reports on such matters as the condition of the property, improvements needed, the condition of loans and mortgages, operating capital available, inventories, and the program of operation and sales for the following month.

Revolving-Capital Plan Is Popular

This cooperative has developed a revolving-capital plan of operation that is very popular with the farmers. Rather large sums of money are required as working capital during cer-

tain times of the year, because it is necessary for the association to store from \$150,000 to \$200,000 in evaporated milk stock in order to take care of the winter demand when production is light but sales are about equal to those in June. When patronage dividends are declared, they are issued to the farmers in the form of certificates that bear no interest. Each producer applies the first \$50 in dividends on common stock. He may convert certificates subsequently issued into either additional common stock or preferred stock. The cooperative has never failed to pay interest on the preferred stock, and banks throughout the territory will lend farmers 75 percent of its value. Each year the association retires an amount of the oldest preferred stock outstanding; \$25,000 of the 1939 earnings was used for this purpose. Farmers may, however, hold their preferred stock as an investment, if they wish to do so. After a producer has ceased to ship for a year, the association retires his common stock at par. By means of this method of financing, the control of the cooperative is always in the hands of active producers and shippers.

Antigo Milk Products Cooperative.—Another association to process milk and sell the commodities was organized by farmers in the northern section of the State in 1930—the Antigo Milk Products Cooperative in Langlade County. At the plant of this organization, the butterfat of more than 700 patrons is manufactured into a diversity of dairy products, which are sold through Land O'Lakes Creameries, Inc. Products sold in 1939 for more than \$750,000 included sales of cream for manufacturing amounting



A close-up view of the condensed milk machinery installed by the Consolidated Badger Cooperative in its main plant at Shawano, Wis.

to more than \$340,000; butter \$235,000; and milk powder \$170,000. An average of the prices obtained for the manufactured products and milk is paid to patrons, based on the butterfat quality delivered by them. In 1934 the Antigo Milk Products Cooperative made about 4,000 gallons of maple sirup, and shipped to Minneapolis the first entire carload of sirup ever assembled in the State. In the vacuum pan that was used during the day for evaporating milk, the maple sap was condensed at night. This service was rendered for another co-op, the Antigo Cooperative Maple Syrup Producers Association.

Pure Milk Products Cooperative.—

The Pure Milk Products Cooperative was organized in 1929 and until the fall of 1940 maintained an office in Madison. It fills a unique position in that it is a cooperative bargaining group representing producers who sell to condenseries, and also more than 2,000 members whose milk is sold in the Chicago market. In addition to bargaining and marketing functions, the organization maintains field service which includes checking of weights and butterfat tests, and a quality control program which assists members in meeting sanitary and health standards required by the market receiving their product. At the close of 1939, the association reported that it was representing 4,000 producers.

In order to extend its activities, the Pure Milk Products Cooperative adopted a program in August 1940 for coordination of work with the Central

Equity Cooperative Livestock Sales Association, Inc., ships feeding steers from the western ranges.

These steers were shipped direct to Appleton, Wis., in order to get the steers as cheaply as possible to farmers who wanted quality livestock to feed. This is one of many services Equity is rendering.

Grade "A" Cooperative, an organization formed late in 1939 by a group of Wisconsin dairy cooperatives which ship milk to the Chicago market. Although each association will retain its separate corporate identity, the recent agreement provided that they employ a joint manager and establish a consolidated office at Fond du Lac. Thus the scope of cooperative action has been unified and extended by these two dairy cooperatives.

An important function of both of these cooperatives recently has been to represent the interests of their members in connection with the Federal milk marketing program in Chicago.

Livestock Continues on Co-op Route

Local cooperative livestock shipping associations market many of Wisconsin's hogs, cattle, calves, and sheep. A large proportion of the sales is

