MARKETING BUTTER.

By Professor E. H. Farrington.

There is only one point under this head that I am going to take the time to mention at this time and I do it merely to bring the subject before the convention for discussion. I have talked with many creamery operators during the past, mostly former dairy students, who drop in for a short call while passing through Madison. As the years go by the question most prominently before the creamery buttermaker at that time is usually brought up and the former student who is then in charge of some factory gives me his experiences in regard to the matter.

A good many years ago the subject of "mottles" was much discussed, then later, "starters," then "overrun," then "hand-separators," etc., etc. Each season seems to have one particular point in the manufacture of butter that is given temporary emphasis and
this practice of getting much evidence on one subject each season, I think, is a good one as it gives us a lot of information that is usually helpful to a good many buttermakers.

The particular point in marketing butter that I should like to hear discussed by the buttermakers and creamery managers at this time is the marketing of butter sold in 60-pound tubs. I have been told that there are creameries shipping butter to market without weighing the butter in each tub, but simply record each shipment as so many 60-pound tubs. This represents about the most careless system of selling butter that one can imagine. The creamery in this case is entirely at the mercy of the buyer; it takes what the buyer is inclined to give in the way of weights; such a practice is like selling cordwood without measuring it and hay by the rack full instead of by the ton. There are undoubtedly buyers to whom it is perfectly safe to sell butter in this way; buyers who can be depended on to give the creamery the right weights, but there is much greater satisfaction in knowing exactly how many pounds of butter are shipped each time from the creamery than in taking the buyer’s word for it.

If there is much difference between the creamery and the market weights this will have considerable influence not only on the amount of money due the patrons during the year but it is one factor in reducing the overrun at the creamery in case the amount of butter paid for is less than the creamery weight of the butter.

Suppose 100 tubs holding 60 pounds of butter each are sent to market and the weights and tests of the cream at the factory showed that this butter was made from 4800 pounds cream fat; now if the creamery is paid for 100 tubs multiplied by 60 or 6000 pounds of butter, the factory overrun is 1200 pounds or 20%; but if the buyer of the butter cuts each tub of butter 1½ pounds and reports that each tub contained 58½ instead of 60 pounds butter paying the creamery for 100 tubs multiplied by 58½ pounds or 5850 pounds butter, then the overrun is 1050 pounds or a little less than 18%; a difference of over 2% in the overrun is thus made by the cut in weight made by the buyer of the butter. The overrun calculated on the actual weight of butter made at the cream-
ery was 20%, but the overrun calculated from the butter paid for was 18%.

Contracts Between Creamery and Butter Buyer.

A great many different arrangements are made for selling butter; some ship to a commission merchant who sells at a certain figure above or below the market price and who charges the creamery 5 per cent commission for doing the business. Other merchants do not charge any commission but agree to pay a certain market price f. o. b. the factory; still others agree to pay a premium of one cent or so above the market price f. o. b. the factory; and again others agree to pay a premium of one cent or so above the market price f. o. b. the city to which it is shipped.

The different agreements between seller and buyer are numerous and may be made for a longer or a shorter time than one season. Such agreements are a matter of business between the buyer and the seller and require no particular discussion, but there is one point in selling butter that every butter seller should insist on and that is an understanding as to weights. An agreement should be made with a buyer on the basis of the net weight of butter contained in each tub or package as determined by the weights obtained when each tub is filled at the factory. It is possible that one-half pound or so on each 60-pound tub of butter should be allowed for shrinkage in weight, but the net weight of butter in each tub should be known and the butter paid for on the basis of the net weights of all the tubs of butter in each lot sold.

A creamery can often afford to sell its butter at a lower price per pound on the basis of definite weights than at a higher price per pound with no agreement as to weights. The net amount of money received for the butter churned at the creamery and for which the patrons should be paid according to the butter fat delivered in milk and cream is much more important than an offer of one-half cent or one cent or more above the market quotations for the butter f. o. b. the factory shipping station. The price per pound is of some importance, but payment for the actual number of pounds of butter delivered is of much greater importance.
The following transactions may illustrate an experience that is more or less common with creameries in selling their butter. Along in June when buyers are looking for butter to hold in storage or in fact at any time of the year a butter buyer may call at a factory and after a pleasant call make what seems to be an exceptionally good offer for the entire output of the factory.

I happen to know of an instance where a buyer offered 3/4 cents above New York extras, f. o. b. the factory for all the butter made at a creamery during the storage season. The first shipment to this buyer was a lot of 42 sixty-pound tubs; each tub was weighed empty and again after it was filled giving about one-half pound of butter over weight to allow for shrinkage. The net weight of butter on this basis at the factory was 2150 pounds, the New York market quotations on extras 28 1/2 cents that week, hence according to agreement the creamery should receive 2150 pounds multiplied by 29 1/4 cents which equals $628.87.

The amount actually received from the buyer was $617.76 or $11.00 less than the agreement; a cut of 37.5 pounds in weight of butter was made or nearly one pound per tub which with butter at 29 1/4 cents amounted to about one-half cent less per pound of butter than the agreement.

A second shipment was sent to this same buyer; this contained 68 tubs which according to the creamery weights contained 4276 pounds of butter. When the buyer remitted, the shipment was out 114 pounds in weight; this is 1.7 pounds per tub which at the price paid amounted to 49 cents per tub or a cut of a little over three-fourths cents per pound butter.

The factory actually received, therefore, the even market quotation instead of 3/4 cent above the market per pound of butter which the original agreement called for. The price was not cut but the weights were cut enough to make the actual receipts for the butter 3/4 cent per pound less than was expected by the creamery.

These illustrations are probably similar to the experiences of many creamery men in selling butter, and various ways have been found for making satisfactory agreements with butter buyers as
to weights. I will only make one suggestion on this point and hope to hear from others in regard to it.

There is no doubt but an overweight of a certain amount of butter per 60-pound tub should be given by the creamery to make up for shrinkage and loss in weight by selling small quantities of butter at retail from each 60-pound tub: how much this shrinkage should amount to may be an open question but I am inclined to think that one-half pound butter per tub is about right.

A convenient and satisfactory way, therefore, of selling butter in 60-pound tubs would be to weigh each empty tub after it is soaked, lined and ready to be filled, mark this weight on the side of the tub and then fill each tub with the same weight of butter. If the tubs will all hold 62 pounds of butter, weigh in 61½ pounds each; this practice, I think, will be satisfactory to most buyers and can be carried out at the creamery with but little extra work on the part of the buttermaker.

If the tubs will not all hold 62 pounds of butter, then find out the maximum weight of butter that can be packed in each tub and put the same weight of butter into all tubs allowing one-half pound overweight for shrinkage. In this way the creamery has a record of the exact weight of butter sold in each shipment and an arrangement can doubtless be made with a buyer to pay for the butter on the basis of such weights. (Applause.)

The Chairman: You have now heard this article on the Marketing of Butter. Now we can follow up with discussion. It is worth discussion, and a hearty discussion too.

Mr. Speirs: I would like to say just a word on this matter of shrinkage. This shrinkage doesn’t all come on the butter buyer. That is, he is not responsible for it. I was in Philadelphia a year ago this winter and went into a butter house and the commission man said to me, “Speirs, I am getting some butter from a man up in Wisconsin, a friend of yours, and we are having a good deal of trouble as to weights. I wish you would stay here and help us weigh this butter.” It was billed out to the house at 63 pounds. I waited there and tried the scales and weighed up that butter myself and I couldn’t get it to weigh over 61 or 61½. I also found
that that butter had settled down in the tub from three-quarters of an inch to an inch and a quarter. It was a poorly made butter.

**Mr. McNeill:** Mr. Farrington speaks of butter being paid for on the basis of the weights, the buttermaker weighing the goods. I am very safe in saying that was pretty generally the case, but at that time the average tub did not hold over 60 pounds net to the tub and some 59 and some 57, but in late years the tendency has been to increase the tub—the amount that it will hold—so that now it is not uncommon to have a tub holding 63 pounds, and I am very much of the opinion that the buttermakers of the present day, whether they are men who have been in the business for some time or not, are decidedly in the minority who average up without knowing really what there is in their shipments. It is a good thing for a creamery to send in its weights to the house it is doing business with for the reason that at certain times of the year in some sections butter will not hold out in weight in the butter at the factory. If there is a considerable difference between the weight at the factory and the weight at the commission house, if it is in Chicago or New York, speaking from our own way of doing business, we would call in the Chicago Government Inspector and have him test the weights so that the man at the other end doesn't have to take our word for it.

Another thing. When a man comes to you and offers you a price for your butter that you know is considerably more than the actual value of the butter, if I were in your place I would want to know just exactly what he is going to do with that butter, because there can be no great difference between one commission house and another as to what they are going to get for the goods. In other words it is a kind of confidence game. You deal with a man who offers you a fair price all the year around and you will find at the end of the year you are a great deal better off.

**The Chairman:** I think this point of shrinkage has been very thoroughly discussed in regard to the other paper, but if there is any other point you would like to discuss we will take time for it.

**Mr. Corneliuson:** There is one point more in connection with the making of butter and I am not sure whether is was mentioned in Prof. Farrington's paper or not. That is the question
of prints. There are some countries, for instance Denmark, which recognize a state print on their butter that comes up to a certain standard of quality. He is entitled to use that print and no other creamery which is not up to the standard can use it. I do not know if there is anyone here who has considered the question of state prints, but I just throw this out as a suggestion that may be well worth considering. I believe it would be a good thing to have a staple mark or identification upon the butter produced in Wisconsin and in a like way upon the butter produced in Minnesota, etc.

SECRETARY BENKENDORF: In regard to that let me say that the Committee on Public Affairs is looking into that matter. They were out to the Dairy School not long ago and I am quite sure that they will give that matter thorough consideration.

In regard to Mr. McNeill’s statement about these flattering offers, I would simply say this, it always behooves a buttermaker to look into the reliability of the house before he has any dealings with it. There are plenty of reliable houses that will give you the market price of butter. If a person goes two or three cents above the market price he is only going to skin the buttermaker some way. I know instances in this state where two or three cents above the market price were offered; the buttermaker sold and shipped his butter to Chicago, and then had a very hard time getting the money. When they would go to Chicago to find the parties they never could be found. There are plenty of good reliable houses, and I don’t like to see any of the buttermakers held up in this way.

CHAIRMAN: We will now consider Mr. Moore’s resolution.

MR. MOORE: I want to introduce a resolution. Its main object is to pave the way for something better, that is to say, that the Legislature will not meet for another year and we do not expect that anything could be done to change the standard until that time, but it will be a straw to show which way the wind is blowing and this association can at its next session take this matter up definitely. We do not want to be still tied up to the resolution which was passed at Wausau five or six years ago.
"WHEREAS a resolution was passed at the Wisconsin Butter-
makers' convention held in Wausau in 1907 demanding a fat
standard for butter of 82½ per cent, and

WHEREAS in the years that have passed since that conven-
tion a marked change has taken place in creamery practice so that
standards which at that time may have been just to all parties,
under the changed conditions of the present, are now liable to
work a hardship on individuals and the industry in this state,

THEREFORE BE IT RESOLVED that we recall our action
at Wausau regarding a butterfat standard of 82½ per cent and go
on record at this time as favoring such standard for butterfat as
will be uniform in all states and conform to the best dairy practice
of the present."

Mr. Clay Tyler, West De Pere: I move that that resolution
be laid on the table.

Which motion was seconded and carried.

Chairman: The next on the program is "The Gasolene En-
gine as a Source of Power for Creameries" by Mr. E. F. Sadler.

THE GASOLENE ENGINE AS A SOURCE OF POWER
FOR CREAMERIES.

By Mr. E. F. Sadler.

Mr. Sadler: Mr. President and Gentlemen: I am sure it is
an honor to be called upon to address a convention of Wisconsin
buttermakers, which I appreciate. Whether or not the paper will
be of any benefit to you, I appreciate the recognition by your
Secretary.

The power problem in the creamery is one that has been over-
looked and neglected more than any other phase of the creamery
business despite the fact that it is one of the most important. The
process of manufacture has been developed and improved until to-
day it is purely scientific. The hap-hazard, hit-and-miss ways have
given way to the theories taught in our dairy schools. Cream is
ripened to a certain degree of acidity, temperatures are watched
closely, and in fact from the time cream or milk enters our factory
doors it is handled by skilled men and treated, as I said, scienti-