CO-OPERATIVE CREAMERIES.

E. A. CROMAN, Grass Lake, Mich.

Let us first stop and see if we fully understand the term co-operative. Webster says it means "operating jointly to the same end." I believe there are very few, if any creameries that are, strictly speaking, co-operative. A creamery where they charge a fixed number of cents per pound for the manufacture of butter is not a co-operative creamery. A creamery where all patrons and stockholders share alike in the manufacture of the butter, in the profits and losses, and in operating expenses is a co-operative creamery. Are there any such? The nearest that any creamery company comes to being co-operative is one that is being operated on this plan; the running expenses,—by this I mean the pay for labor, coal, tubs, and all that goes into the cost of making and selling butter. One cent per pound is also added, which goes into a sinking fund. This is used to make repairs on the creamery and as a dividend. This plan has been in operation for the last ten years and has given the best of satisfaction. By this method all are served alike as near as may be. The patrons who are not stockholders, as well as those who are, pay the one cent per pound for the use of the creamery in addition to the cost of manufacturing one pound of butter. If we could have all patrons stockholders then we could have a co-operative creamery in every sense of the term. But let us do the best with what we have. If our methods of co-operating can be improved upon, let us do so at once; let us work in harmony. Co-operative dairying has come to stay. It has been tried and is successful.

The labor problem on the dairy farm is becoming a serious one; good and efficient help seems to be getting more scarce each year. It is, therefore, necessary that all practical methods for the saving of time and labor should receive our most earnest consideration. Can we better our methods of getting our product to the creamery? I believe the practice now in vogue of hauling the whole milk to the creamery and there having it separated, is losing a great many thousands of dollars to the dairymen each year. Not only is there loss in the cost of hauling the milk, but in the feeding value of the skimmed milk. Can we remedy this enormous expense, is the question. Yes, I believe we can by the use of a farm separator, either power or hand. I believe we can educate ourselves to take as good or better care of the cream thus separated than we can the whole milk. The cream thus separated upon the farm and delivered by the most up-to-date method will lessen the cost of manufacture at least one-half and with a great improvement over the present system as regards flavors, etc.

The Home Dairy.

I want to say a word here in regard to the man who believes in the home dairy. I have the greatest of respect for him, for I know only too well how much time, hard work, and attention it requires. We each have our own way of doing things. If the home dairymen can get a better price per pound for his butter, enough more than the creamery can pay him so that he gets well paid for his time, then he can afford to be a home dairymen. The plan of operating a co-operative creamery that I have mentioned is one of the best that I know of. In this method of operating it is of interest to every patron to see that his neighbor gets his milk to the creamery, as every
pound more that goes to the creamery tomorrow than was got there today lessens the cost of manufacture just that much.

Handling of Milk for Creamery.
If you are a creamery patron be a good one. Start first by the selection of good, healthy cows. See to it that you have the proper food for your cows and that it is fed properly. Do not be a two or three cow patron. You will not be as well satisfied as regards results as you would be if you had ten, twenty, or more. Get your milk to the creamery in good condition. One ten-gallon can of poor milk might spoil one thousand or more gallons of good milk. If you live a distance from the creamery your milk should be well aerated and then cooled. Here is where I have known of some bad mistakes. A can of milk cooled suddenly without being properly aerated contains all the animal odors. When this milk gets to the creamery and is again warmed up it will give off these odors and is liable to taint and spoil a great many gallons of good milk. No butter maker, no matter how well he understands his business, can make good butter out of tainted milk.

Selection of Officers for Co-operative Creamery.
I want to say a word in regard to the officers of this co-operative creamery. Great care should be taken in their selection. I believe that only stockholders who are patrons should hold office. They should be men who understand the care and feeding of the dairy cow and should be able to teach their patrons how to get their milk to the creamery in a proper way. I know that this is almost impossible in starting a new creamery, but as soon as officers are found that are not capable they should be weeded out and men put in office who will be a benefit rather than a hindrance. A manager is the most important officer to be selected. He should be one who has the faculty of handling men. The books of the creamery should be open for the inspection of its patrons at all times. The men who haul the milk should get to and from the creamery as soon as possible. In summer the cans should be covered and kept cool en route to the creamery. In winter they should be covered and kept from freezing, as frozen milk does not make good butter, and also the patron is not as liable to get a good test. Milk should never be hauled any distance in a wagon without springs, as the shaking of the milk often churns particles of cream into butter, thus rendering a good test impossible.

In this short paper I am in hopes that I have brought out some points that will provoke a good discussion.

DISCUSSION.
Mr. Goodrich—Under your plan, would you limit the amount of capital stock that each one can have so as not to get it all into the control of one or two individuals?

Mr. Croman—Yes, I would. I think that $100.00 is about the limit. If a man has invested only twenty-five or fifty dollars, he hasn’t got very much to lose. If he has $100.00 in it, it is worth looking after, probably ten shares at $10.00 each.

Mr. Goodrich—Would you want the business men in the town who were not patrons of the creamery to have stock in it?

Mr. Croman—Oftentimes in starting a new creamery, it is necessary to get in business men, but as soon as the creamery is started, so you can get rid of them, have them step out.

Question—Would you have in your articles of incorporation a clause preventing one man from buying stock of another?

Mr. Croman—We have that in our articles of association. No man can change his stock without the vote of the directors; in other words, no man can become a stockholder in that
creamery until he is voted on, and of course those who patronize the creamery who have no stock, have no share in the profits.

Mr. Goodrich—I know of a good many creameries where they are anxious to get in all the milk they can, they do let those who have no stock share equally with those who have stock. That certainly is unjust.

Mr. Croman—I found one such in this state, and the creamery was going down very fast. I advised them to reorganize, keep their stock in their own hands, and charge one or two cents per pound, on the plan that I have outlined in this paper.

Mr. Imrie—I have had some experience in co-operative creameries. We organized in western Wisconsin a good deal on the same plan as Mr. Croman has outlined, except that instead of taking one cent a pound on the butter as a sinking fund, we took the first year five cents on a hundred pounds of milk. We found we had taken a little too much; the next year we took four cents, and after that three cents on a hundred pounds of milk, which was set aside as a sinking fund, and out of this sinking fund were paid taxes, insurance, permanent improvements, and repairs on the creamery, and in limiting the amount of stock to stockholders, we fixed it at $250.00—we had to do that, because it was hard to get the stock subscribed, but no man can hold more than twenty-five shares, and no stock can be transferred without the consent of a majority of the board of directors. I think in all cases you should keep that stock right among the patrons. After we had been running two or three years, we bought a skimming station two or three miles distance, we had to issue new stock at that time, and had no difficulty because we were paying good interest on our capital stock.

Mr. Goodrich—I like Mr. Croman's idea of inducing the farmers to have farm separators. The most successful operators of creameries in this state are where the milk is all separated on the farm. There is the West Salem Creamery that last year made 948,000 pounds of butter, and paid to the patrons $189,000.00. The cost of gathering the cream, making the butter and delivering it at the station was just two cents a pound, and that is what it has averaged for the past ten years and the butter netted to the patrons, on an average, twenty-one cents a pound. Mr. H. D. Griswold, one of the patrons who produces more milk in the winter than in the summer, is averaging twenty-two cents a pound. There are 350 patrons, and they all have farm separators; there is no separator in the creamery at all. One hundred patrons who have a small number of cows raise their cream by the gravity process, but they are fast getting the farm separators, and the gravity process will soon be a thing of the past.

Mr. Imrie—Do they keep the cream from the hand separators and the gravity process cream to be churned separately in the creamery?

Mr. Goodrich—They do not. The cream is graded according to quality, so that no matter how a man gets his cream, if he can deliver good cream that is all they ask of him. I know it is sometimes claimed that they do not make as good butter where the cream is separated on the farm, but that is not necessarily so. At this creamery at West Salem, the cream gatherers must examine the cream, and if they think Mr. A's cream is not as good as it ought to be, they keep it separate from the rest; then when he takes it to the factory the butter maker decides what shall be done with it. They have two vats; one of which holds the better quality of cream; the other is what they call the "stink" vat. They are worked up separately and bring from three to four cents a pound difference. The cream in the other vat brings as good a price as any creamery butter in the state of Wis-
DISCUSSION.

I have been in creameries where they were making three kinds of butter, one from separator-gathered cream, one from whole milk, and one from gravity-gathered cream, and the best cream and the best butter was from the separator-gathered cream, and it all was taken care of properly, of course.

Mrs. Howie—When they market that butter, Mr. Goodrich, do they stamp upon it the name of the vat that it comes from, so the consumer may know?

Mr. Goodrich—It will advertise itself all right.

Question—Was that price that you named for butter or butter fat?

Mr. Goodrich—that was the net price for the butter. The butter fat was twenty-four and five-eighths cents per pound and the butter was twenty-two.

Mr. Croman—After our creamery had run awhile, we began to get ten and fifteen thousand pounds and we began to have a little more of butter. You know that there would be some poor milk come to the creamery, frozen milk; there will be new patrons who will drop in and you have got to watch those things. We would go out into the country and try to educate those men, but some of them wouldn't listen, they would bring the milk sour, oftentimes off flavor, so we devised a plan to fix those fellows. We said, "This is a co-operative creamery and we can't afford to mix your poor milk with our good milk. We will do this, the milk that comes there frozen and sour, off flavor, we will churn by itself, without even separating." So we put it into the churn and churned it, and that butter went onto the market, not as Lakeside-Elgin butter, but butter without any stamp on it at all, and it sold for what it would bring, and it didn't take those people long, when good creamery butter was selling for twenty-five to thirty cents a pound, and they had to take eighteen to twenty cents, to find out that they were losing money. The way to fix those fellows is to give them a taste of their own butter.

Mr. Stiles—In any community where the farmers are going to organize, is it best for them to organize first, elect officers, then have those officers go and visit a number of creameries through the state, and see how they are built, and visit supply houses and then go home and build the creameries themselves and buy their own supplies; or is it best to let some creamery man come up and organize the farmers?

Mr. Croman—If you will organize and build it yourselves, you will build it from one to two thousand dollars less than the creamery man will build it for you.

Mr. Thorp—and that brings up to mind the kind of a co-operative creamery that I am opposed to. Last fall, up near where I live, thirty miles north of here, there were a lot of sharpers came around to organize a creamery. I happened to be up there, and questioned them about it, asked them what their plans were, and they told me, and I told them I was glad I happened to be there, I was going to try to fight that creamery to the finish. They had their meeting, they made their nice talk, telling the farmers how many thousands of dollars they could make out of the dairy business in a short time and got the farmers all worked up ready to take stock, and I got up and told them before they subscribed for any of that stock that they had better find out whether these men knew anything about a creamery or not, I meant the men in the meeting who were talking about taking stock. I took a vote on it, and I found there were only three men in that audience who had ever patronized a creamery. These men were going to organize a co-operative creamery there among that class of men and were going off to leave them to run it. In the specifications that they exhibited there for a creamery, they were going to board their building one thickness on the
outside, and there wasn’t a farmer in that room that knew that would not do for a creamery. After I got through talking, the gentleman got up again and he tried to laugh off what I had told them, and he began working them over on his side again, and I had another set-to and came pretty near being put out of the hall before I got through, because those men were larger than I was, but anyhow he could not get the subscriptions that night to his list. However, he got a German friend to come up and help him, and they did put in a creamery in that locality, and it isn’t worth much; there is nobody there that knows how to run it and it has cost those people $5,000.00 to build it. There have been three of them built this winter in that locality, and those men are making money going around among the farmers and organizing them. So I advise any farmers who are thinking of organizing a co-operative creamery to look into the matter carefully, don’t let these swindlers come around and swindle you out of $1,500.00, as this man did, and as they are doing right along in this state, although we have talked to and warned the farmers in the Institutes all over the state. The result is this, those people have got the creamery, the man has got his money, he has left the country, gone to build other creameries, and those farmers are there with nobody to run their creamery and nobody at the head of it that knows anything about it, and the dairy industry has been set back at least ten years in that locality just because those farmers were so foolish they would let that man come in there and humbug them in that way.

The first thing to do in a co-operative creamery is to elect the officers and select a good committee to go out among the co-operative creameries and go to the dealers of creamery supplies and see what prices they can get, and try not to build a $5,000.00 creamery that isn’t worth $2,000.00 after it is built.

Mr. Croman—That is what I say, find out what you want and build it yourselves, you can save from $1500.00 to $2,000.00.

Mr. Simmons—Do you think we can make more money out of our butter by patronizing a creamery that by making it at home?

Mr. Croman—That depends on your surroundings. If you have private customers for your butter and you live near a large town where you can make as much money as at the creamery—you have really got to get more, of course, because it costs you something to manufacture that butter, but if you can get enough more to pay you for the manufacture, that is all right.

Mr. Simmons—Can’t we make better butter on the farm?

Mr. Croman—If you have the same facilities on the farm as the creamery has, you ought to make better butter, because you have the full handling of the milk from the time it comes from the cow until it is in the tub.

Mr. Scott—You are making these remarks, however, to Mr. Simmons, not to the average farmer.

Mr. Croman—Yes. For the average farmer, it is certainly better for them to send their milk or cream to the creamery.

A Member—We manage things a little differently from what Mr. Stiles said, although we bought the machinery ourselves. But I think it is desirable, if you can get a good butter maker, to hire him first, get one from the Dairy School if you can, and let him see the farmers and get acquainted and also have him help build your creamery. Then go ahead, get carpenters, put up your creamery, secure bids from the creamery supply houses, and put up your plant yourself.

Mr. Croman—I think I should object to that, because you do not always keep the same butter maker. The first butter maker we had wanted continual changes, there wasn’t anything right; the next one we educated ourselves. If
DISCUSSION.

I was going to have things just as I wanted them, I would put the young man who was to be our butter maker into the factory. The officers should be elected first, and they should visit these creameries and put up a plant according to their ideas. As soon as you turn your business over to somebody else, that business is going to pieces. Men who organize a creamery company must understand that they have got to give a certain portion of their time to this business, and if they don’t intend to, let them stay off. I have got off my binder and gone down to that creamery a good many times. I have gone out of the harvest field, the cornfield, to go down there, just because of some little difficulty. When we organized, I went down there and learned how to make butter the first thing. I knew how to make butter at home, but I learned how to run that machinery, and then we educated other men who were interested in this creamery, so that if anything went wrong, we had it right in our own hands, and you cannot have a successful creamery in any other way. How would you run a bank, or any other business, if the directors did not understand the business? You have got to know the business from start to finish.

Mr. Utter—Isn’t it possible to obtain such a knowledge in a state where there are so many fine creameries as have been built here?

Mr. Croman—Yes, you have all got creameries within six or eight miles where you can learn a lot, you can get the most improved machinery and see how it works. It is not so in our state. I was in a factory the other day where they are getting about 15,000 pounds of milk a day, and they are compelling the butter maker to ripen his cream with a rake. That is all wrong. What are we after in all this? We are after more butter from our product; we are after a saving in time and labor. Where it took three men to run a creamery ten years ago, two men will do it with ease today.

Prof. Carlyle—I do like the sentiment expressed by Mr. Goodrich in favor of farm separators. Naturally, I look at the stock end of the business more than I do the creamery end of it. Now, it seems to me we have been carrying milk to the creamery, pooling it all in one lot, and carrying the skim milk back from three to eight miles, long enough. You never know whose milk you are taking back; you are never getting it back in the same condition. As far as I can estimate from the skim milk we get back, I do not believe that skim milk is worth within ten cents as much per hundred as the skim milk we get from our own barns to feed sweet to our calves and pigs. That is a point which should be taken into consideration in operating creameries.

What is the use of hauling 15,000 pounds of milk through the roads we have in this country, and hauling it all back again to the farm, when anybody can separate it on the farm and one man could carry in the cream where it takes fifteen men to carry in the milk to the factory? If we look at this matter from an economical standpoint, taking all the conditions into consideration, gentlemen, I believe that point is one of the most valuable that can be made in connection with our co-operative creameries. There is no comparison at all in the value of the skim milk for feeding to calves between that separated on the farm and that brought back from the creamery. We get back the wash water from the vats and everything that goes into it to make up the amount which the farmers demand as their dues. Calves raised on that kind of stuff don’t amount to much, as compared with calves raised on their own milk at home.

Prof. Shaw—is it an easy matter to keep calves healthy that are fed on the milk that comes back from creameries?
Prof. Carlyle—Two years ago Professor Farrington carried on some experiments for pasteurizing or sterilizing skim milk. He had many complaints, that the digestive organs of small pigs were suffering from the effects of feeding such milk and he came to the barn and asked us to start a short, simple experiment, just a little practical experiment as between some of our own milk sterilized and some which was brought back from the creamery. We found all sorts of troubles, the calves were scouring, the hair was rough, and they were off feed for a long time, while those that we were giving the sweet milk from our farm went right along all right in every way.

Question—How much skim milk do you feed a calf?

Prof. Carlyle—Never more than two quarts of milk at a time to a young calf. Of course we increase that. I think one cause of digestive troubles in calves is feeding too much.

Mr. Goodrich—In regard to the difference between making butter on the farm and patronizing a creamery. We hear that question thrown in quite often to the disparagement of the creamery. For a great many years I made butter on the farm, and I made several hundred dollars more than I would have made if I had patronized a creamery, but that does not prove that the creameries have not been of immense value to this state. Where a creamery is started in a community, it benefits every man, woman and child in that community, and it also benefits the man who is making butter on the farm. When we all made butter on the farm, do you remember what we used to get for the butter? My books show that I sold it for eight cents a pound, and paid ten cents a pound for the brown sugar that I was obliged to trade it off for, but when the creameries went to making up milk into a good quality of butter, then the private dairymen could share in the benefit just the same as the creamery, so I beg of you do not say anything in disparagement of the creameries.

Mr. Thorp—I want to disabuse any one who may have received the idea from what I said that I am opposed to the co-operative creamery. I certainly am not. I am opposed to these sharpers going around and humbugging the farmers, starting creameries where they are not ready for them, where they haven’t got cows enough to supply milk enough to run a creamery. I live right in a creamery locality, I can see two or three of them from the top of my barn, and I know that the farmers have all made money down in that locality, but I know that there are localities in northern Wisconsin where they are going to lose money, and be humbugged by those sharpers that I speak of.

Prof. Carlyle—I heard the remark awhile ago that the reason Mr. Thorp was so sore on this creamery question was because that $2,000.00 was put into a creamery instead of into real estate.

Mr. Thorp—That isn’t the reason. I had two good farms right near that creamery, and I don’t like to see the dairy interest damaged for eight or ten years.

A Member—That very same plan that Mr. Thorp speaks of was tried on us in the town of Oakfield, twelve or thirteen years ago, but we were sharp enough to stop them.