

the exception of the period of low prices from 1931 to 1935. In 1939 cream sales amounted to \$555,000, butter sales were \$265,000, and milk-powder sales almost \$230,000. The total amount of these sales was the largest dollar business for any of the Wisconsin creameries. The association's plant is valued at more than \$150,000. This is a stock cooperative which only producers may join, each buying a \$10 share of stock. Stockholders who cease to be producers may retain their stock.

Land O'Lakes Carries Butter All the Way to Retailer

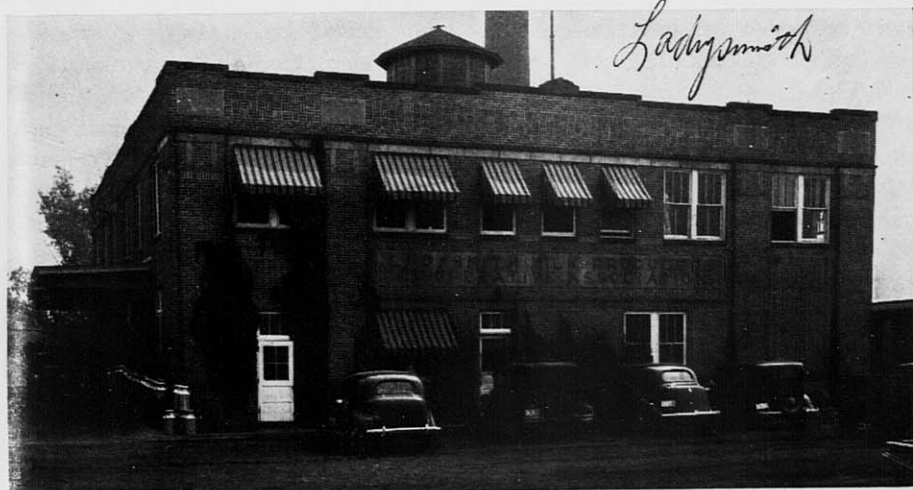
Creamery federations.—Land O'Lakes Creameries, Inc., with headquarters in Minneapolis, Minn., plays an important part in the business transactions of many Wisconsin cooperative creameries and other dairy associations. This well-known regional sales agency includes in its membership a number

of local cooperative creameries in northwestern Wisconsin areas, and also the Wisconsin Cheese Producers' Cooperative at Plymouth, the Antigo Milk Products Cooperative, and the Consolidated Badger Cooperative at Shawano.

In addition to selling for these associations, Land O'Lakes Creameries and a number of Wisconsin members in Polk County established a spray-process milk-powder plant at Luck in order to utilize skim milk from these local creameries. This plant is owned and operated jointly.

Lack of uniformity in the butter produced by local creameries and in different churnings from the same creamery results in lower returns. When butter is shipped by a local plant in less than carload lots, higher shipping charges must be paid. These disadvantages to a local creamery can be overcome only by standardization and joint selling.

Dairy products were sold for close to a million dollars by the Ladysmith Milk Producers Cooperative Association of Rusk County in 1939. The main plant is located at Ladysmith and branch plants at Exeland, Kennan, and Stanley. Milk is converted into butter, cheese, casein, and milk powder.





Milk is delivered by truck to the A-G Creamery Co. at Arcadia in Trempealeau County.

One of the major objectives of Land O'Lakes Creameries is improvement in the quality of butter and standardization of output, and it has made "Land O'Lakes" brand a guarantee of quality and uniformity.

The Minneapolis cooperative pioneered in the North Central States in the cooperative marketing of butter on a large scale. It sends trucks to collect the butter manufactured by local creameries and hauls it to one of its concentration plants, where it is graded, printed, packaged, and shipped to the best outlets. Through local branch offices located in many States, sales are made to chain stores, independent corporations, and smaller merchants.

Through Land O'Lakes Creameries, these Wisconsin dairy cooperatives are joining with hundreds of others in the north-central dairy region to do a job of cooperative merchandising that carries the products all the way to the retailer in the main consuming centers of the Nation.

A considerable number of other Wisconsin cooperative creameries are carrying cooperation beyond their local organization by joining with other

creameries in overhead sales and service agencies. Two overhead agencies located in Wisconsin offer varying types of services.

Wisconsin Cooperative Creamery Association, District No. 2, operates a new, up-to-date plant at Union Center in Juneau County. Here 18 member creameries, a majority of which are cooperatives, send butter for printing and marketing. In northwest counties the Wisconsin Cooperative Creamery Association, District No. 4, operates. Each of these organizations is a separate corporation, although there was a plan for a State-wide agency in which these district associations would be units. The headquarters of the District No. 4 Association is at Shell Lake in Washburn County. A fieldman operates from Cumberland, in Barron County, and the association has a warehouse there. The membership includes both cooperative and noncooperative organizations. This association has stressed a butter-improvement program.

Creameries in operation 55 years or more.—A number of creameries have notable records for operation over long periods. The Luck Cooperative Creamery Co. in northwest Polk County was formed in 1884, and the following year in Trempealeau County bordering the Mississippi River, farmers united in organizing the Ettrick Creamery Co. These co-ops manufacture substantial volumes of butter, smaller quantities of other dairy products, and sell some dairy supplies to patrons. The bulk of the sales of these two creameries are made through Land O'Lakes Creameries, Inc. The cooperative at Luck was reorganized in 1908 and again in 1922. It had 170

patrons in 1940. Its sales of butter in 1939 amounted to \$88,000 and of skim milk, cream for manufacturing, and buttermilk to over \$11,000.

The Etrick Creamery Co. has the distinction of including in its membership two men who have been continuous patrons since it was organized in 1885, N. B. Hilton and A. J. Ekern. The butter sold in 1939 aggregated \$70,000 and other dairy products \$1,000. The creamery plant is valued at \$18,000. This co-op has recently demonstrated its constructive outlook by adopting the revolving-capital plan of financing. One-half cent for each pound of butterfat is retained from the sales proceeds, and credited to the 125 patrons. At the end of the year a certificate will be issued to each patron for the total amount of "retains" credited to him.

Butter Quality Program Has Been Effective

Creamery operations.—Improvement in the quality of butter has been a major contribution of Wisconsin cooperative creameries to the dairy industry. An important factor in the quality program has been the purchase of butter on the basis of grade. Field work has advanced the program materially. The federated associations and some of the locals supply the services of fieldmen to the farmers to assist in improving the care and feeding of dairy cows, the cleanly maintenance of barns and utensils, and the preparation of milk for market.

Various methods of hauling milk from the farm to the creamery are followed in different localities. In some sections the farmers do the haul-

ing. Large creamery plants usually do a large part or all of the hauling of cream or whole milk. Commercial assembling of milk and cream from farms has increased rapidly in the State.

Many of the local associations market independently, the bulk of the butter being sold to chain stores and other large commercial distributors. It is customary for these large organizations to send their trucks to the local creameries for the butter that has been manufactured, and to deliver it to their own plants for printing, packaging, and selling.

Each creamery has some facilities for printing butter for local sales, the facilities ranging from a hand-printing box to large mechanical equipment.

Some of the large creamery plants have been built with railroad sidings at the factory so that there is no freight or trucking charge from assembly point to destination. Shipments go forward by rail, truck, and the Great Lakes water route during the lake shipping season. The bulk of the co-op creamery butter is shipped to the large central markets in Chicago, New York, Boston, and Philadelphia. Wisconsin ranks first of all the States in the volume of butter shipped to Chicago; more than 78,000,000 pounds were marketed there in 1938.

Wisconsin cooperative creameries differ in their methods of making payments to producers. Some of them operate on a pooling basis, making deductions from sales proceeds for operating expenses and paying the balance to the patrons for their cream or butterfat. These pools usually are operated on a monthly or semimonthly basis. Experience enables other coop-