

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 Ettrick 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-

eratives to estimate what operating margin they require between the wholesale prices of butter on the central markets and prices they can pay producers. It is customary for Wisconsin creameries to make current payments to patrons as high as possible rather than to allow funds to accumulate and later pay patronage dividends.

Badger State Makes Half of U. S. Cheese

The 365,215,000 pounds of cheese produced by Wisconsin factories in 1938 was more than half of all cheese manufactured that year in the United States. Approximately 75 percent of the Wisconsin production was cheese of the American type, which is also known as Cheddar cheese. The foreign type cheeses made—including Swiss, Munster, Brick, Limburger, and Italian varieties—constituted 20 percent of the entire State production of all types.

Wisconsin ranks first also in the quantities of cheese sold in the central markets of New York, Chicago, Philadelphia, and Boston. Almost 50,000,000 pounds of Wisconsin cheese were shipped to New York City in 1938.

Quotations for cheese are established each week by two cheese exchanges at Plymouth in Sheboygan County, and in general are accepted as the basic market quotations throughout the United States.

Cooperative cheese factories.—Cooperation plays a very important part in the manufacture of cheese in Wisconsin. Farmers learned many decades ago that they could reduce the labor of cheese making by organizing in groups and delegating the manufacture

of cheese to one of their members. The State now ranks first in the Nation not only in the total quantity of cheese manufactured, but also in the portion manufactured under cooperative conditions. These conditions vary widely. For example, in many cases, a cooperative association of farmers owns the land, factory building, and equipment, and hires a cheese maker who is paid either a monthly salary or a wage based on the number of pounds of cheese produced. In other instances, the factory is owned by a cheese maker, who agrees with a group of farmers who have organized cooperatively to convert their milk into cheese on a salary or volume basis. In some locations, the factory building includes only the cheese equipment and storage room; in others, living quarters are provided for the cheese maker and his family. The selling of the cheese manufactured may be done by a farmer-member of the group, or this may be a duty of the cheese maker. Many other types of cooperative arrangements are made to meet particular situations in different localities.

The Farm Credit Administration has received reports from approximately 450 Wisconsin cheese factories now operating under varying types of cooperative conditions. A large majority of the factories are small business enterprises located at country crossroads to which farmers in the surrounding area can conveniently haul their milk. For more than half of them, the dollar value of business in 1939 was \$25,000 or less; the range for another 130 of the associations was from \$25,000 to \$50,000; for approximately 20, between \$50,000 and \$100,000; and for 8 co-ops, between \$100,000 and \$200,000.