

a small percentage to cover any drop in the market. When the pelts are sold, if they bring more than the price at which they were taken over, a dividend is declared to the shippers.

The association makes loans on live animals. It carries two types of insurance—blanket insurance on pelts from the time they are shipped by the shipper until the time they are actually sold at auction, and also insurance on live animals.

A staff of eight field men is maintained by the cooperative. The association publishes its own monthly magazine. It inspects and registers eligible foxes and mink, both for members and nonmembers, and maintains the official herd books for the industry. It has been instrumental in establishing the fur farming research department at the University of Wisconsin; it has interested itself in the passage of legislation pertaining to domestic animals, and in the quota of silver fox skins permitted to enter this country.

Twenty-six State and sectional associations are now affiliated with the American National.

### **Other Commodities Marketed Cooperatively**

Of the associations marketing other types of commodities, one handles maple syrup; several market forest products; and one assembles, grades, stores, and markets clover and alfalfa seed.

Community needs in several localities have caused several cooperatives to develop sales outlets for a wide variety of products. For example, the association with the largest volume of business in this group sells for its

farmer-patrons grain, poultry, eggs, potatoes, and wool. It also carries on a supply business in feed, fertilizer, seed, cement, brick, tile, petroleum products, twine, and implements.

### **Rapid Gains Made in Cooperative Purchasing**

Cooperative purchasing by Wisconsin farmers has increased substantially during the past two decades. In the last decade—from 1930 to 1940—the number of purchasing associations in the State almost doubled, the membership doubled, and the dollar value of supply and marketing operations by these co-ops increased 45 percent. In 1939 the 200-odd purchasing associations in the State transacted a 20-million-dollar business.

In addition to the associations that were organized primarily for the purpose of furnishing farm supplies cooperatively, there are in Wisconsin about 25 grain associations, the majority of which now do a larger dollar value of business in handling farm supplies than in selling grain. With the growth in the demand for feed for livestock, many of these cooperatives which began as receivers and shippers of grain have found it more profitable to deal in feed, flour, coal, seeds, salt, twine, fertilizer, and a variety of other supplies needed for farm operation. Although the farm-supply business has become a major activity, there are also many types of farm products that are marketed for the farmers, such as grain, seeds, potatoes, livestock, and hay. Transactions in 1939 amounted to almost 3 million dollars.

A recent technical report on Farmers' Purchasing Associations in Wis-

consin was prepared by Froker and Knapp (Farm Credit Administration Bulletin No. 20, 1937). In that study the purchasing associations were classified in the following four major groups: "(1) Petroleum associations, which handle primarily petroleum products such as gasoline, kerosene, distillate, lubricating oil, and grease; (2) warehouse associations, which operate warehouses for the sale of feed, seed, and other general farm supplies, and which frequently grind and mix feed and conduct an ordinary grain-elevator business; (3) general store associations, which handle staple household supplies and limited lines of such items as feed, seed, and twine; and (4) combination associations which combine the handling of petroleum products with a warehouse farm supply business."

The Farm Credit Administration has records for approximately 215 local purchasing associations in Wisconsin, many of which have been in operation for many years, and, in addition the 20-odd local associations which began operation as grain co-ops.

*Sparta Cooperative Oil Co.*—More than 100 of the local purchasing co-operatives are petroleum associations. The Sparta Cooperative Oil Co. in Monroe County is one of these, selling petroleum products only. Since it was organized in 1931, this co-op has operated independently without affiliation with a wholesale cooperative. Sales in 1939 to almost 1,400 patrons amounted to over \$210,000.

With the increase in hard-surfaced roads, and the growing use of the motortruck in transporting farm products, there has been a correspondingly rapid expansion in the farmers' need for petroleum products. Of all supplies sold cooperatively in Wisconsin, petroleum products lead the field.

*Random Lake Cooperative Association.*—One of the associations operating a feed warehouse is the Random Lake Cooperative Association in Sheboygan County. It sells to 1,000 member and nonmember patrons flour, feed, coal, cement, lime, tile, petroleum products, and other supplies.

The co-op also sells patrons' products, marketing chiefly barley, wool,

*One of the Farmers Union oil cooperatives is located at Bruce, Wis., in Rusk County.*





*This is a view of the new service station of the Cloverbelt Cooperative Oil Association, Wausau, Wis., which runs a line of tank trucks throughout the surrounding country as well as a service station at one of the busy corners in Wausau. Manager Louie E. Doede declares that a "truck driver must be a salesman, collector, and diplomat" to render the best service to his association. The association has over 600 stockholding members besides 1,700 patrons whose dividends are gradually making stockholders of them by being applied on purchases of shares.*

and hides. Supply and market transactions for the fiscal year ended April 30, 1940, amounted to over \$290,000.

**Patrons Mercantile Co.**—Oldest of the locals is the Patrons Mercantile Co., organized in 1893—48 years ago. It operates a general retail store at Black Earth in Dane County. A wide variety of articles is handled, including groceries, feed, hardware, dry goods, seed, farm machinery and equipment, flour and sugar, coal, building materials, harness and other leather goods, petroleum products, salt and binder twine, and fertilizer. The co-op has more than 500 patrons. In addition to furnishing supplies to them it also markets as an accommodation some of their products such as wool, poultry, eggs, and hides. Sales of farm products in 1939 amounted to \$5,000, and supplies sold at retail to almost \$165,000. Between the spring of 1894, when it began operations, and the close of 1939, this local co-op did business totaling more than \$6,000,000, and paid dividends—both

stock and patronage—of over \$200,000.

**Greenville Cooperative Gas Co.**—In addition to gasoline, kerosene, and other petroleum products, the Greenville Cooperative Gas Co. in Outagamie County sells coal, machinery, equipment and tires, hardware, fertilizer, and many other supplies. Sales made in the fiscal year ended August 31, 1939, aggregated more than \$205,000. Since organization in 1931, the co-op has developed a membership of 1,600. This is one of the local cooperatives which makes purchases at wholesale through the Fox River Valley Cooperative Wholesale at Appleton.

### **Many Local Associations Affiliated with Wholesales**

Many of the Wisconsin local cooperative purchasing associations are affiliated with wholesale supply cooperatives. The three largest of these are the Central Cooperative Wholesale at Superior, the Midland Cooperative Wholesale at Minneapolis, and the Farmers Union Central Exchange at