AGRICULTURAL COOPERATION

LEGAL, ECONOMIC, AND ORGANIZATION INFORMATION COLLECTED BY THE DIVISION OF COOPERATIVE MARKETING.
BUREAU OF AGRICULTURAL ECONOMICS, UNITED STATES DEPARTMENT OF AGRICULTURE, WASHINGTON, D. C.

January 21, 1928.

Vol. VI, No. 2.

FLORIDA CITRUS FRUIT MOVING TO MARKET

Up to the first of January, 66.7 per cent of the shipments of the Florida Citrus Exchange, Tampa, had been handled through private sales and 32.4 per cent through the auctions. Private sales had totaled 2,344 cars, and auction 1,115 cars. Sixty-nine cars were unsold and en route, and fifteen cars had been forwarded to European representatives, for which returns had not been received. Remittances had been received for 763,391 boxes.

The first newspaper advertising campaign of the season was conducted in Montreal with satisfactory results, as sales to December 10 had equalled the total sales of last season. Magazine advertising began with the January numbers of five widely circulated publications. Attractive display material and recipe books have been prepared for distribution.

•

NEW YORK GRAPE ASSOCIATION REPORTS

----0----

Seven hundred eighty-one cars of grapes of the 1927 crop were handled by the Chautauqua and Erie Grape Growers' Cooperative Association, Westfield, N. Y., according to a report of the treasurer. Of this quantity 64 per cent was sold to the trade and 36 per cent to the juice factories. Growers received a net sum of \$669,816.

Of the total, 22,523,690 pounds of grapes were packed in jumbo and bushel baskets, 184,358 pounds in four-quart baskets, and 531,459 pounds in two-quart baskets. To the juice plants the association delivered 8,126,713 pounds in trays and baskets, the equivalent of 406 cars. A portion of the crop was sold under the growers' pack and a portion under the association's pack.

The expense of selling amounted to \$17.79 per car, \$1.69 per ton, \$27.04 per car exclusive of juice grapes, or an expense of 3.17 per cent of net sales.

PENINSULA PRODUCE EXCHAMGE SELLS FOR FARMERS

The Peninsula Produce Exchange, Pocomoke City, Md., was organized in 1904 by about 2,000 stockholders, approximately one-half of whom were farmers. Potatoes and other farm products are marketed on a commission basis and a stock of seeds is carried for sale to farmers and others.

Sales for the six years ending with 1926 amounted to nearly \$15,000,000, and net earnings to more than \$120,000. The net worth of the Exchange at the close of 1926 was \$224,959.

Total business for the various years since 1920 was as follows: 1921, \$1,884,597; 1922, \$1,973,056; 1923, \$2,818,280; 1924, \$2,197,176; 1925, \$2,975,256; 1926, \$2,844,879. Exchange salesmen are locateed in Philadelphia, New York and Boston.

---0---

COOPERATIVE BUSINESS HANDLED AT LOW EXPENSE

With a total association expense of less than \$35,000 the Prince Edward Island Potato Growers' Association, Prince Edward Island, Canada, handled a business of \$1,693,886 during the year ending June 30, 1927. This expense is less than two per cent of the amount of the total business. The largest item of expense was \$15,484 for labor and truckage in connection with the distribution of fertilizers. The second largest item was \$9,872 for salaries. Some of the other expenses were: loading potatoes on cars and steamers, \$5,281; brokerage, \$1,749; postage and excise stamps, \$1,340. More than 880,000 bushels of potatoes were shipped, and 20,270 tons of fertilizers were purchased for farmers.

The total sales of the association for the past two years were as follows:

Commodity	1926	1927
Potatoes Fertilizers Insecticides, etc. Bags Implements	\$700,907 301,877 9,368 32,312 387	\$1,011,396 590,600 25,181 63,872 2,837
Total	\$1,044,951	\$1,693,886

Total association expense in connection with the business handled in the 1925-26 season was \$22,869, or slightly more than 2 per cent of total sales.

At the close of the 1926-27 season the association had a net worth of \$19,260.

UNITED GRAIN GROWERS COMES OF AGE

The ty-one years of successful grain marketing is the record of the United Grain Growers, Ltd., Calgary, Alberta, a farmer-owned and -operated company. At the annual meeting held recently in Winnipeg, Manitoba, the twenty-first anniversary of the company was celebrated with a banquet and speeches by association officers and others.

The annual meeting was attended by 342 delegates representing the 36,000 shareholders, also about 100 shareholders who were not delegates. The report for the 1926-27 business year, which was presented by the president of the organization, indicated that the company owned 401 country elevators, 39 elevator annexes, 245 flour houses, 222 coal sheds, 5 supply sheds, 72 cottages, and several terminal elevators at important points. During the past year the company operated at 368 country points, also at Vancouver and Fort William. Earnings for the year amounted to \$702,265, from which an 8 per cent dividend amounting to \$237,245 was paid. A patronage refund of one cent a bushel was made to farmers delivering street grain. This refund amounted to \$76,972.

During the year the management sold a terminal elevator at Port Arthur and let the contract for a new elevator on the lake front. This terminal elevator will have storage bins for 5,500,000 bushels of grain. There will be two annexes with more than 550 storage bins. The elevator will have a receiving capacity of 200 cars a day, and facilities for loading vessels at the rate of 80,000 bushels an hour.

Twenty-seven country elevators were sold in the past year to the Alberta Cooperative Wheat Producers, Ltd.; 19 country elevators were leased to the Saskatchewan Cooperative Wheat Producers, Ltd., for five years; and one elevator was leased to the Manitoba Cooperative Wheat Producers, Ltd.

At 118 points both the United Grain Growers, Ltd., and one of the provincial wheat pools operated elevators. The management considers it more desirable to have two farmer-owned elevators at a country point than one farmer-owned elevator and one privately owned elevator. Large quantities of non-pool grain were handled by the Grain Growers.

Several subsidiaries are operated by the United Grain Growers. These include a publishing house, an exporting company at Winnipeg and another at New York, and the United Grain Growers Securities Company which conducts a general fire, hail and casualty insurance business. In accordance with instructions from the membership of the parent company, plans were made during the year for closing up the business of the United Grain Growers' Sawmills, Ltd. The lumber on hand was sold, also the equipment and a portion of the standing timber.

More than 9,000,000 pounds of twine was sold by the supply department, also large quantities of coal and flour.

Outstanding share capital at the close of the business year amounted to \$2,979,078.

BUTTERFAT BONUS FOR CALIFORNIA CREAMERY MEMBERS

A bonus on butterfat delivered, amounting to \$13,209, was paid to the members of the Point Reyes Cooperative Creamery, Point Reyes, Calif., during the year ending June 30, 1927. A total of 1,432,450 pounds of butter was sold, also 616,528 pounds of dried milk, 14,419 pounds of casein, 54,300 pounds of curd, and 227,171 pounds of skim milk and butterfat. Total sales amounted to \$685,322. Butter sales amounted to nearly 44 cents per pound; cost of manufacturing, 3.4525 cents a pound. Producers were paid, including bonus, 50.093 cents a pound for butterfat, the over-run being 23.56 per cent.

On June 30 there was share capital outstanding to the value of \$51,262, there was \$17,448 in the revolving fund and \$803 of undistributed income. The land, buildings, machinery and equipment had a depreciated value of \$60,401. The creamery was organized in 1914, and serves 100 patrons.

A QUARTER CENTURY OF COOPERATIVE BUTTER MAKING

For more than a quarter of a century the Rock Falls Creamery Co., in Dunn County in western Wisconsin, has been serving a small group of dairy farmers. This company is organized with share capital, shares of stock having been sold to obtain the capital for establishing the creamery plant. The volume of business has increased during the years until now approximately 320,000 pounds of butter is made annually.

The growth of the enterprise for the past 13 years is as follows:

Year	Butterfat	Butter	Butter	Paid
	received	made	sales_	patrons
	(Pounds)	(Pounds)		
1913	157,704	192,041	\$ 56,617	\$ 53,134
1914	154,212	192,292	53,406	49,043
1915	154,619	192,806	52,633	48,400
1916	147,160	182,773	57,169	52,515
1917	145,215	182,331	74,177	68,672
1918	158,118	199,327	95,432	89,630
1919	175,770	220,153	122,692	117,070
1920	181,441	225,504	127,593	121,202
1921	193,264	239,766	92,856	84,943
1922	202,586	251,664	94,776	86,741
1923	227,651	284,166	123,348	113,705
1924	251,352	316,717	124,592	115,927
1925	250,294	312,152	133,809	124,743
1926	257,090	319,370	131,840	122,835

SHIPS LIVESTOCK AND BUYS FARM SUPPLIES

During the year ending with October of 1927, the St. Louis Cooperative Association, St. Louis, Mich., shipped 76 decks of livestock, for its members. The several shipments included 3,230 hogs, 1,888 sheep, 879 calves, and 75 cattle, which weighed 1,063,185 pounds and sold at the Detroit Stockyards for \$115,589. Producers were paid \$108,816 after all expenses had been met. This association, in addition to shipping livestock, bought for its members, 620 tons of coal, 66 tons of fertilizer, 679 gallons of oil, 180 bales of twine and 629 posts. Its liabilities at the close of the year were: capital stock, \$3,260, and surplus, \$1,178. The association, which was organized in 1917, serves about 300 farmers.

----0----

FIRST PRODUCERS ASSOCIATION IS SIX YEARS OLD

With the beginning of 1928 the Producers' Live Stock Commission Association, National Stock Yards, East St. Louis, Ill., started its seventh year of work. This was the pioneer organization of the group of Producers' agencies which now number thirteen. It justified its existence in the first six months of 1922 by paying out of its earnings all the money borrowed from the Iowa and Illinois Farm Bureaus to start the business. During the first year the agency sold 6,644 cars of stock and purchased 596 cars of stockers and feeders. Gross sales for the year aggregated \$9,625,850, and net earnings amounted to \$43,398, out of which a 30 per cent patronage refund was made.

In 1927 the sales were in excess of 14,500 cars, bringing the figures for the six years well over 75,000 cars, or approximately 12 per cent of the receipts for the six year period.

The president, vice-president and five of the directors have the distinction of rendering uninterrupted service to the organization since it began operations, and the manager has nearly as long a record. Much credit for the successful conduct of the agency is due to the judgment and foresight of these men, as well as to the managers of local associations which have shipped their stock consistently to the cooperative agency.

When the association opened for business January 2, 1922, it had ten employees on the pay roll. At present the office force numbers 22, the total force about 50, and all facilities have been greatly enlarged and developed. A special department has been established to handle the trucked-in business which has developed rapidly; a claim department has been set up to render service to customers free of charge; a stocker and feeder department handles many cars of stock each year. In order to furnish cheaper credit for buying of feeders the association created the Producers' Credit Corporation in 1924, and the following year the first feeder lamb pool was conducted. In 1926 the Purchasing Pool was incorporated as a national idea and has since developed both calf and lamb pools, through which producers have been enabled to buy stockers and feeders on the ranges.

WASHINGTON EGG ASSOCIATION ANNOUNCES DIVIDENDS

Dividends to shareholders of the Washington Cooperative Egg and Poultry Association, Seattle, aggregate \$105,402 for the 1927 year. Of this total the dividends on preferred stock amount to \$45,344; the 8 per cent dividends on common stock amount to \$53,593; and the 4 per cent dividends on common stock, to \$6,465. Full dividends are paid on all but common stock of the July issue which receives half dividends.

---0----

HAY ASSOCIATION ORGANIZES A SUBSIDIARY

A subsidiary organization known as the Arizona Hay and Grain Company, was organized and incorporated in December by the Roosevelt Hay Growers, Phoenix, Ariz. This new company is authorized to buy hay, seeds and grain in the open market and sell through the Roosevelt Hay Growers, thereby protecting itself and helping to stabilize the prices for these products, also giving the members of the cooperative organization the benefit of any earnings which may be realized. The new company may also act as broker for the purchase of farm supplies.

The reserves which have been deducted from final settlements by the Roosevelt Hay Growers during the five years of operation can now be turned into preferred stock certificates of the Arizona Hay and Grain Company. Such certificates bear 8 per cent interest.

----0----

NEIGHBORHOOD GROUP BUYS FERTILIZER

Citrus growers in the vicinity of De Land, Fla., have been buying their fertilizer supplies cooperatively for eight years. One grower, who is a director of a citrus association, prepared his own formula and had the manufacturers make it up for him, varying it with weather conditions, size of crop and needs of trees. Two neighbors thought his grove looked better than theirs and asked to join him in ordering. Only one requirement was made and that was the fertilizer was to be paid for "spot cash" and prices given on that basis. This rule has remained unchanged.

Soon other growers were attracted by results and desired to join and the neighborhood group now includes scores of growers. Orders have increased from 50 tons to 600 tons and several manufacturers now compete for the business. There is no organization and no expense above the cost of the fertilizer.

A formula is made up each year and submitted for cash price bids. The fertilizer is shipped direct to each grower if he requires a full car load, or a car may be divided upon arrival. In this way all save through car load rates.

COOPERATIVE OIL STATIONS IN ILLINOIS

In less than two years 19 farmer-owned and -controlled associations for the cooperative purchase of petroleum products, have been set up in Illinois. Fourteen of the associations have joined with the Illinois Agricultural Association in forming the Illinois Farm Supply Company, as a central purchasing agent for the local associations, most of which serve the farmers of an entire county.

The first of the existing county units was formed in 1926. The plan of organization for these units provides for a share capital association with common stock of no par value and preferred stock with par values ranging from \$25 to \$100. The common stock is issued to Farm Bureau members in good standing in the county. This stock entitles the holder to a vote in the organization, also to participate in the distribution of net earnings which are allotted on the basis of patronage.

Capital is obtained from the sale of preferred stock, which carries with it the right to vote and the holder is entitled to dividends ranging from 6 per cent to 8 per cent, but is not entitled to a share of the net earnings.

Petroleum products are distributed through bulk-station plants and by truck-tank service to the farms. Each county association establishes enough bulk stations to serve its membership, the number varying from one to five. A standard bulk station consists of two 19,000-gallon tanks and a warehouse sufficient to accomodate a carload of lubricating oils and to house one or two trucks. As a rule the county units do not distribute through service-pump stations, but make all their deliveries direct to farm users by truck.

The Illinois Farm Supply Company was incorporated under the Illinois cooperative law on March 7, 1927, and began business on April 1. The members of the company are the county units. Three kinds of share capital have been issued. The common stock, without par value, entitles the member company to participate in the distribution of net earnings on the basis of its patronage. Preferred "A" stock is issued at the par value of \$100 a share and bears cumulative dividends at the rate of 7 per cent per annum. Preferred "B" stock has a par value of \$1 a share and the entire issue of 2,500 shares is held by the Illinois Agricultural Association. The management rests in a board of nine directors, elected by delegates representing the member county units.

The supply company has standardized the quality of the products handled. Purchase contracts are made on the basis of the lowest price for large quantities.

Sales up to December 1, 1927, were as follows: Gasoline, 261 car loads, kerosene, 138 car loads; lubricating oils, $37\frac{1}{2}$ car loads; grease, 48,236 pounds; denatured alcohol, 2,471 gallons.

The supply company furnishes a supervisory audit for the county units. Insurance of various kinds is provided through the Illinois Agricultural Mutual Insurance Company.

AGRICULTURAL SOCIETIES PREDOMINATE IN ASSAM

Out of a total of 1,066 cooperative enterprises in the Province of Assam, India, on March 31, 1927, 998 were agricultural societies, according to an official report. One year earlier the agricultural societies numbered 883, and two years earlier, 761. Membership figures for the three years were as follows: 1926-27, 42,478; 1925-26, 36,927; 1924-25, 32,566. The other cooperatives in the province include one provincial bank, 15 central banks, 51 non-agricultural societies, and one other. Membership of the 1,066 organizations numbers 53,411, with working capital of 44,80,235 rupees. A land-mortgage bank was organized during 1926-27.

RAPID GROWTH OF RUSSIAN COOPERATIVES

Papers received in this country from Russia indicate that in the two years from October 1, 1925, to October 1, 1927, the membership of four types of Russian cooperative societies increased from 15 millions to 24 millions. The number of societies was reduced in some cases through a process of reorganization. Figures given for the two years follow:

	October 1, 1925		October 1, 1927	
Class of	Number of	Number of	Number of	Number of
societies	societies	members	societies	members
	Component and a resolution of the contract of			
Consumers	25,605	9,436,000	28,612	15,074,000
Agricultural	34,477	5,368,000	33,991	7,379,000
Handicraft	11,497	409,000	10,957	616,000
Housing	12,431	470,000	21,100	1,050,000
Total	84,010	15,683,000	94,660	24,119,000

In 1927, 38 per cent of the peasant households were said to be federated in consumers' cooperatives, and 32 per cent of the agricultural cooperatives. While Russian farms market a far smaller percentage of their produce than farms of England, Denmark, Germany or the United States, the following percentages are sold through cooperative channels; grain, 33 per cent; eggs, 50 per cent; butter, nearly 92 per cent.

All forms of cooperation are said to have been on a voluntary basis since 1922, and in the last two years all have participated in a national drive for efficiency and reduction of handling charges.

The National Council of All Cooperative Farms, started in 1917 before the revolution, has been reconstituted as a coordinating body, aiming to harmonize consumer and producer interests, to reduce spreads, and to eliminate waste.

RIGHT TO LIQUIDATED DAMAGES UPHELD

On November 14, 1927, the District Court of Appeals for the third district of California decided the case of the California Bean Growers' Association v. Sanders, 261 P. 717. The defendant was a member of the association and had entered into a contract with it in which the association was to act as his agent in the marketing of all beans produced by him except those which the association might release in writing for personal use or garden seed varieties. The defendant failed to deliver his 1921 bean crop to the association and the association then brought suit for liquidated damages, as provided for in the contract, of one cent for each pound of beans which he failed to deliver to the association. The lower court, without a jury, held in favor of the defendant and the association appealed. In reversing the trial court, attention was called to Section 1671 of the Civil Code of California which provides:

The parties to a contract may agree therein upon an amount which shall be presumed to be the amount of damage sustained by a breach thereof, when, from the nature of the case, it would be impracticable or extremely difficult to fix the actual damage.

The trial court was directed to enter judgment in favor of the association for \$230, together with \$100 attorney's fees and its costs of suit.

L. S. Hulbert.

CONCLUSIVE PRESUMPTION PROVISION UPHELD

The Supreme Court of Colorado recently decided the case of Wilson v. Monte Vista Potato Growers' Cooperative Association, 260 P. 1080. The principal question for decision was the validity of the provision in the cooperative statute of that state to the effect that the statute creates a conclusive presumption that the owner or lessor is able to control the delivery of products raised on his land by tenants or others.

One Sanderson, a land owner, entered into a contract with the association, under which he agreed to market all of the potatoes produced by him during specified years. Later, he entered into a lease with one Wilson who knew of the terms of the marketing contract which Sanderson had entered into with the association. Under the terms of the lease Sanderson was to receive one-fourth of the potatoes raised on

the leased premises and Wilson was to receive three-fourths. Owing to the fact that the potatoes received by the tenant as his share under the lease were being marketed outside the association, the association brought suit against the landlord and his tenant alleging that the marketing agreement had been violated. The lower court awarded the association damages and attorney fees and, in addition, enjoined the landlord and the tenant from marketing the potatoes outside the association and, further, directed that the marketing agreement be specifically performed. The tenant alone appealed to the Supreme Court from this decision. Referring to the provision in the statute to the effect that it was to be conclusively presumed that the landlord or owner controlled the marketing of the products grown on his land, the Court said:

Wilson was charged with the knowledge of the provisions of the statute. He knew that Sanderson was a contract member of the association, and, with this knowledge of the statute, and of the contractual relation of Sanderson with the association, Wilson assumed to take a lease from Sanderson to raise potatoes on the leased land, with the intention of selling them in the eastern market, and not to deliver them to the association, in disregard of the direct provisions of the statute and of the contract between Sanderson and the association. The provisions of the statute constitute an essential part of the lease, as much so as if its provisions were incorporated therein.

As indicated, the validity of the conclusive presumption provision of the cooperative act was upheld in this case which involved the equitable remedies of injunction and specific performance.

In reaching this conclusion the court followed, to a large extent at least, the earlier case of Monte Vista Potato Growers' Cooperative Association v. Bond, 252 P. 813, which involved the same general question. The Supreme Court of Louisiana, in the case of Louisiana Farm Bureau Cotton Growers' Cooperative Association v. Clark, 160 La. 294, 107 So. 115, held that a similar provision in the cooperative act of Louisiana was unconstitutional. In the case of Staple Cotton Cooperative Association v. Hemphill, 107 So. 24, the Supreme Court of Mississippi expressed doubt as to the constitutionality of a like provision in the cooperative statute of that state, while the Supreme Court of Kentucky, in the case of Feagain v. Dark Tobacco Growers Cooperative Association, 202 Ky. 801, 261 S. W. 607, held that a corresponding provision in the cooperative act of Kentucky was constitutional.

FIELD SERVICE NEEDS NEW SELLING METHODS

Field service by employees of cooperatives has frequently been referred to as salesmanship. The field men, it is assumed, have been "selling" ideas. But what ideas have they been selling and what methods have they employed? Not infrequently the wrong thing has been "sold" by men with too little knowledge of the ultimate purpose of their activity. Too often they have worked for a signature on the dotted line when they should have been "selling" the thought that there was work to be done which could best be accomplished by collective action.

One of the cardinal rules on which successful salesmanship is based, is "know the goods you sell." Too much emphasis has been placed in the past upon "selling" a particular organization rather than a new marketing system. Field men have known too little about marketing and have talked too much about what might be accomplished.

Field men must know and discuss marketing if they are to sell memberships. They must concern themselves with the better marketing service which it is possible to introduce by united effort. The attainable economic benefits of cooperation are rather definite. They may be classified under four heads, namely a reduction of margins, better services, a stressing of quality, and the development of consumer preference.

Men unfamiliar with the technique of marketing have promised more in the nature of a reduction in margins than was possible. Many organizations have been formed with their membership expecting a much larger portion of the consumer's dollar than there was any possibility of their getting. Reduction of margins generally depends on farmers dispensing with unnecessary services which they have overvalued.

As most of the important improvements that can be made in marketing center around better service to the consumer and the payment of differentials for quality, it is imperative that the sales talk of the field man include statements dealing with this phase of marketing.

Although such "selling" talk will not appeal to the producer of nondescript quality by obsolete methods, it will collect an intelligent and progressive membership, informed as to what it is possible to accomplish by united effort. Such a membership will require a minimum amount of field work based on handling complaints, but it will furnish the raw material for carrying out a long-time constructive program.

The time is at hand for a new line of "sales talk" in behalf of cooperative marketing. Henceforth more stress must be placed upon marketing services. The beauties of cooperation may be passed over lightly but the advantages of obtaining returns according to the quality of the products delivered and the advantages of creating a consumer preference for the products which the cooperative has to sell, are matters of vital importance. Such a policy is certain to produce a type of cooperation represented by a membership that is intelligent and aggressive.

WINTER SCHOOLS IN SASKATCHEWAN

Winter schools for the study of cooperation are being held at about 25 points in the Province of Saskatchewan under the auspices of the various cooperative organizations of the province. The programs are arranged in one hour periods, allowing approximately 40 minutes for an address and 20 minutes for discussion.

___0__

TRENDS IN COOPERATIVE MARKETING

In its twenty-first annual Farmers' Week and Marketing Conference, January 23 to 28, the Georgia State College of Agriculture is giving attention to the subject of cooperation. One feature of the program is an address on "Present trends in cooperative marketing," by a representative of the Federal Division of Cooperative Marketing.

----0----

TOBACCO MARKETING INSTITUTES IN WISCONSIN

A three-day Tobacco Marketing Institute was held at De Sota, Wis., January 4, 5 and 6, 1928, by the Department of Farmers' Institutes. This was the second of a series and open to all farmers. It was not an organization meeting but was put on to help tobacco farmers to overcome their troubles and to raise crops of excellent tobacco. Marketing and cooperation found places on the program.

Beginning with January 9, six one-day marketing institutes were conducted by the same department in the southern producing area, at Rio, McFarland, Cottage Grove, Cambridge, Fulton, and Orfordsville. Three speakers attended each institute.

NEW LIST OF CHARTS AVAILABLE

A revised list of the charts illustrating the development and status of cooperative marketing and purchasing has been prepared. Fifty-six charts are listed under the various classifications, there being six charts dealing with the marketing of dairy products, and five each for fruits and vegetables, grain, and livestock. There are also charts for membership, amount of business, and number of associations. These charts are suitable for class-room work in courses dealing with cooperative marketing and purchasing. Copies of the new list can be procured from the Division of Cooperative Marketing, Bureau of Agricultural Economics, Washington, D. C.

MORE COOPERATIVE SCHOOLS IN COLORADO

The three cooperative marketing schools held in Colorado in December were so successful that four additional schools are to be held beginning January 23. The December schools were held under the leadership of the Colorado Director of Markets, the State Agricultural College, and the Federal Division of Cooperative Marketing. The first school was at Colorado Springs and continued for three days. It was attended by approximately 150 Colorado farmers, association officials and extension workers. The second and third schools were in producing areas, were conducted by a representative of the Federal Division of Cooperative Marketing, and continued for ten days. The two schools were held on the same days, afternoon sessions being held at one point and evening sessions at another.

The forthcoming schools will be for two weeks each. Among the subjects included on the tentative outline are: "Economic and historical basis of cooperative marketing," "Business structure of cooperatives," "Development of cooperative contract," and "Current problems of cooperatives." Lectures are to be illustrated with blackboard outlines, wall charts, and motion pictures. Those attending will be given opportunity to work on special assignments.

----0----

FOURTH ESSAY CONTEST OF OKLAHOMA COTTON ASSOCIATION

"Cooperative Marketing as it Affects the Cotton Farmer," is the subject selected for a national essay contest by the American Cotton Growers' Exchange, Memphis, Tenn., and the Oklahoma Cotton Growers' Association, Oklahoma City. National, state and county prizes are offered, including cash prizes, educational trips and medals. Any boy or girl under 21 years of age who has not more than a high school education is eligible to take part in the Oklahoma contest.

National prizes are offered by the American Cotton Growers' Exchange to contestants in Alabama, Arkansas, Arizona, California, Illinois, Georgia, Louisiana, Mississippi, Missouri, New Mexico, North Carolina, Oklahoma, South Carolina, and Texas. Prizes are also offered by the American Cotton Growers' Exchange for an oratorical contest to be held by negroes at the Tuskegee Institute in December.

In addition to the essay and oratorical contests a statewide cotton production and marketing contest has been planned for all cotton-club members in Oklahoma. Cash prizes are offered to the 4-H club members rating the highest on the important factors controlling the profitable production and marketing of cotton. County contests will be conducted from April 20 to July 14. Awards will be made at county and state fairs and during Farmers' Week at the Agricultural Experiment Station.

REPORTED BY THE ASSOCIATIONS

A new high record was established in 1927 by the Equity Union Creameries, Aberdeen, S. D., with sales amounting to \$1,068,977 and net earnings of \$50,132. Each year since 1916 the association has refunded its net earnings to the members and the amount so refunded has reached a total of \$355,764.

Reports from the Oklahoma Cotton Growers' Association, Oklahoma City, show that on December 27, 147,648 bales of cotton had been delivered. This was 22,480 bales more than receipts on the same date in 1926. Of this quantity, 94,450 bales were delivered for the daily pools, 49,550 bales for the seasonal pool, and 3,648 for the monthly pool.

At a special delegates meeting of the Nebraska Wheat Growers' Association Non-Stock Cooperative, held recently at Hastings, a proposition was approved providing that the present board of directors should submit the proposed 50 per cent contract with withdrawal clause to all members of the association and endeavor to secure their signatures.

Pinto bean growers of New Mexico are planning to work with the Colorado growers in marketing their product. The New Mexico Bean Growers' Association has been incorporated at Santa Fe, and reports state that the members are planning to pool the remainder of the 1927 crop and that a number of cars may be shipped before the close of the present marketing season.

The November issue of the Dairyfarmer, published at Hamilton, New Zealand, contains several pages of material dealing with cooperative marketing, chiefly cooperative marketing in the United States. One page is given to a description of the Land O'Lakes Creameries, Inc., Minneapolis. Other pages contain articles by leaders in the present cooperative movement in the United States.

Representatives of thirteen cooperative trading societies in Manitoba in conference recently adopted resolutions urging the amendment of the cooperative associations' act so as to provide for monthly statements by buying associations, and to require the registrar of cooperative associations to be responsible for checking the reports and making investigations when needed. The representatives also urged that educational work suited to the needs of consumer cooperatives be undertaken by the Provincial Cooperative Marketing Board.

SELECTED LIST OF PUBLICATIONS AND ARTICLES

- Akers, Berry H. Co-op Marketing Institutes: Wisconsin Tries Out New Experiment. The Farmer, St. Paul, Minn., December 24, 1927, p. 5.
- Caspers, Nick. You are Known by the Company You Keep. Queen Alfalfa Sits Upon Her Purple Throne and Rules with Magic Wand. Bureau Farmer, Fort Wayne, Ind., January, 1928, p. 10.
- Downie, Earnest R. Relationship of the Wheat Pool and Kansas Bankers.
 Wheat Growers' Journal, Wichita, Kans., January 2, 1928, p. 7.
- Duffy, W. F. Cooperative Education and Farming. Wisconsin Farmer, Madison, Wis., December 22, 1927, p. 2.
- Harper, J. D. Cooperative Marketing of Livestock Does Pay. Bureau Farmer, Fort Wayne, Ind., January, 1928, p. 2.
- Hirth, William. The Mountain Peaks of the Producers' Contract. Missouri Farmer, Columbia, Mo., January 1, 1928, p. 3.
- Jardine, W. M. Commodity Cooperation is the Answer. Wheat Growers' Journal, Wichita, Kans., January 2, 1928, p. 1.
- Kopperud, Andrew. Supplying Credit Needs of Stock Men. National Live Stock Producer, Chicago. Ill., December, 1927, p. 5.
- Miller, E. A. Another Example of Cooperative Service: Texas Farm Bureau Brings Cheap Fertilizer and Poison to Farmers. Progressive Farmer, Dallas, Texas, December 24, 1927, p. 7.
- Our Old Country Letter. (Cooperative Milk in Scotland.) Nor' West Farmer, Winnipeg, Canada, December 5, 1927, p. 57.
- President McPhail Reviews Progress of Cooperation. (Radio address)
 Western Producer, Saskatoon, Sask., January 5, 1928, p. 18.
- Randell, C. G. Need for National Service Organization. National Live Stock Producer, Chicago, Ill., January 1928, p. 6.
- Small Co-ops Help Oklahomans. Farm and Ranch, Dallas, Tex., November 25, 1927, p. 25.
- Warbasse, James P. What is Cooperation? Vanguard Press, New York City. 1927. 170 p.

IN THIS ISSUE

Fruits and vegetables:	<u>Page</u>
Florida citrus fruit moving to market	17
New York grape association reports	17
Peninsula Produce Exchange sells for farmers (Md.)	18
Cooperative business handled at low expense (Canada)	13
Grain:	
United States Growers comes of age (Canada)	19
Dairy products:	
Butterfat bonus for California creamery members	20
A quarter century of cooperative butter making (Wis.)	20
Livestock:	
Ships livestock and buys farm supplies (Mich.)	21
First producers' association is six years old (Ill.)	21
Poultry products:	
Washington egg association announces dividends	22
Hay association organizes a subsidiary (Ariz.)	22
Purchasing:	
Neighborhood group buys fertilizers (Fla.)	22
Cooperative oil stations in Illinois	23
Foreign:	~ 0
Agricultural societies predominate in Assam	24
Rapid growth of Russian cooperatives	24
Legal:	~ 3
Right to liquidated damages upheld	25
Conclusive presumption provision upheld	25
Membership relations:	NO
Field service needs new selling methods	27
Education:	~ ;
Winter schools in Saskatchewan	28
Trends in cooperative marketing	28
Tobacco marketing institutes in Wisconsin	28
New list of charts available	28
More cooperative schools in Colorado	29
Fourth essay contest of Oklahoma Cotton Association	29
Miscellaneous:	20
Reported by the associations	30
Selected list of publications and articles	31