

Co-operation in the Dairy Industry

Present-Day Tendencies Are Toward Co-operative Marketing of Dairy Products. Many Strong and Active Organizations Function Satisfactorily.

By ROBERT B. TRUBY, '25

The present trend in most branches of agriculture is toward co-operative organizations. The dairy men have been pioneers in this line of endeavor, and at present many strong and active organizations are functioning satisfactorily in the dairy centers of the United States. Yet there is room for much progress, both in organizing new associations and improving old ones.

It has not always been smooth sailing with such organizations, for those which have been successful are probably considerably in the minority if all attempts are counted. Yet even the failures have, in many cases, been stepping stones to the success of subsequent efforts to gain the benefits of co-operation.

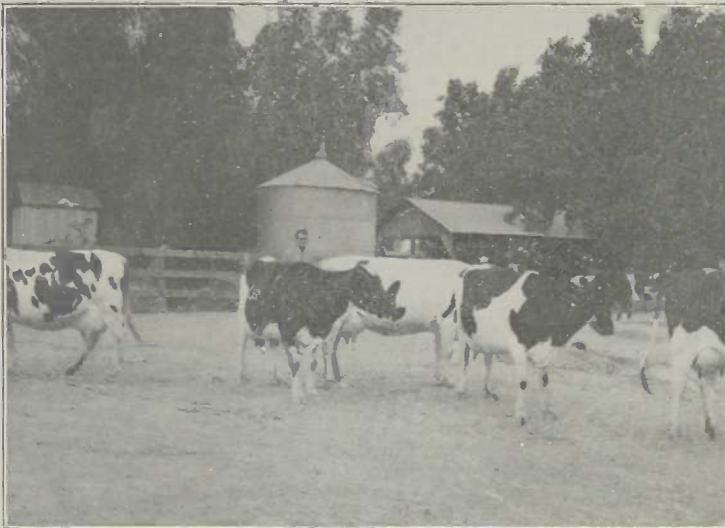
When failure has overtaken co-operative projects, it has usually been due in large measure to a lack of conception of the requirements which are essential to the success of such an enterprise, rather than to inherent fault in the principle.

Less of sentiment and more of sound business methods should be employed in the organization and conduct of most dairy associations.

Without proper management an association is a handicap to its members, and cannot expect to compete with concerns which are always on the alert to gain an advantage over competitors.

In order to justify its existence a co-operative association should save money for both the producer and the consumer. When such an organization attempts to set prices above a competitive standard it invites competition and incurs the distrust of the public.

Apparently the only way to make sure of a substantial association is to have a contract between individual members and the organization which can be enforced. The possession of the confidence of all members in the



A TYPICAL ARIZONA DAIRY SCENE

project and in each other is more effective, however, than any legal bonds yet devised.

The Northern California Milk Association has a contract with its members which is binding, as demonstrated by a court decree in favor of the association in a recent case involving a breach of contract. However, the publicity incident to dissension within an organization is seldom favorable to the organization.

Before organizing an association it should be known that the object of such action is to provide a worthy service, which is not being supplied to its members and cannot be accomplished as well by individuals.

In any section where there is a sufficient amount of dairy products being produced to support a marketing organization, the chances are that an association will return more to the producer, over a long period of time, than will an independent dealer.

It seems that most co-operative associations have been organized during periods of adversity, and so have been handicapped from the start. If, during periods of prosperity, co-operatives were gotten under way, they would then be in a position to minimize the effect of depression. But, who cares about co-operating when his business is on the incline? So long as nobody expects to be hung there is no incentive for hanging together.

Due to the low price of corn and wheat, many farmers in the middle west are collecting a few scrub cows

and going into the dairy business. Of course most of them will quit dairying when prices of grain go up, but in the meantime, their product competes with that of the professional dairyman and may cause a decline in the market.

It is the efficient dairyman who will be able to hold his own against competition. That word "efficiency" holds a wonderful store of meaning. The dairyman meets it all along his course of endeavors and either profits by close acquaintance with it or loses out in the race, through failure to give it proper consideration.

The dairymen of Arizona have a potential market for considerably more dairy products than they are marketing in the State at present. A considerable portion of the butter supply and a larger per cent of the cheese and condensed milk are shipped in.

The cost of producing milk in the Salt River Valley is low enough to give dairy products of this section a market advantage over imported products, providing efficient methods of production, manufacture and marketing are followed.

At present Arizona butter is discriminated against in markets in the State. By concerted and persistent effort an Arizona association can create a demand for its product and control the state markets. It takes time to create a demand for certain products, but the effort has been proven worth while by many associations. For instance, the Challenge

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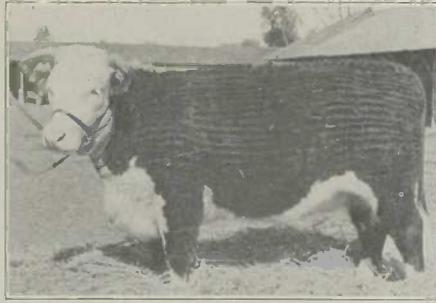
What Will the Harvest Be?

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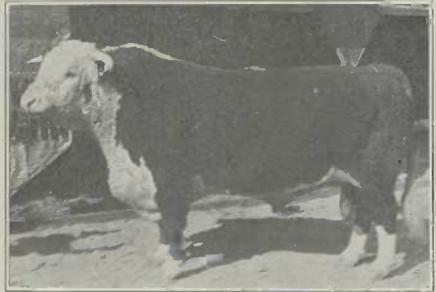
might be well in passing to enumerate some of the advantages of a one variety community such as the Post Project near Tucson where only the Acala variety of cotton is grown.

- (1) Where there is only one variety grown, grading is comparatively simple, while if there is a number of varieties it makes fitting the cotton into the standard grades a difficult task.
- (2) Cotton grown in a one variety community being of a more uniform grade is more sought for by textile mills and brings a resultant higher price. Uniformity of length of lint is very necessary in obtaining top prices from spinners. Different lengths of lint make a rough, weak thread and such lint will be liberally cut by buyers.
- (3) The variety in a one variety community can be kept pure while in many a variety community it is almost impossible. Cross pollination and the commercial gin both are factors in mixing the varieties of cotton.
- (4) More money can be obtained for pure seed in a one-variety community if the fields are systematically rogued. It is difficult to obtain pure seed in the Salt River Valley at the present time, due to the mixture of varieties grown there. The Coachilla Valley growers in California are reaping the benefit by roguing their one variety of Acala and selling the seed to the Salt River Valley grower at a premium.
- (5) In a one-variety community it is easy to form a more profitable co-operative selling and buying organization when all the members have common needs and aims.

The boll weevil hit our annual production during the war and with our reserve supply of cotton diminished almost to the vanishing point, the present extra demand has resulted in high prices. Cotton is cotton during such a time, but the community that plans several years ahead is the community that will still be making money when normal times arrive. The price paid for cotton in the past has usually followed production in an inverse ratio. From this it would seem the best policy to try for high production per acre and to cut



EDWINA DONALD, 110,577
GRAND CHAMPION FEMALE, ARIZONA
STATE FAIR, NOV., 1923
BABBIT & COWDEN, OWNERS



CARLOS DONALD 2d, 907,480
GRAND CHAMPION, ARIZONA STATE
FAIR, NOVEMBER, 1923
BABBIT & COWDEN, OWNERS

Appointment of Professor Elwood Mead of the University of California to the special advisory committee to study government reclamation was made recently by Secretary Work. Dr. Mead is considered a world's expert in this work. He has just returned from the Holy Land and Australia where he served as reclamation consultant for the British Government.

The agricultural extension conference of the twelve western states will be held in Tucson this year. The twelve states to be represented are Arizona, Washington, California, Oregon, Idaho, Montana, Nevada, Utah, Colorado, Wyoming, New Mexico and Texas. The date of this year's conference has not been decided, but it is expected to be held in November.

down on production costs wherever possible. From data available long stapled uplands seem to hold the greatest promise for the largest returns over a number of years for long stapled uplands, such as Hartsville have commanded an average premium of 8 cents or better for the past ten years.

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Cream and Butter Association, organized in 1911, is operating successfully in Los Angeles. For several months after going into the marketing business it seemed that the attempt would result in failure. Its success was due to the loyalty of its members and directors, and to the uniformly high quality of its product, and to courteous, efficient service rendered to its patrons. Later the Danish Association of Los Angeles united with it and at present more than 35,000 pounds daily, or over 40 per cent of the butter distributed from Los Angeles is sold under the two brands.

Practical application of the co-operative idea can be made in breeding better dairy cattle and in the purchase of feed and supplies. In the most prosperous dairy sections of the United States the dairymen have been thoroughly convinced that it is a distinct advantage for the community to keep but one breed of cattle and own pure bred sires co-operatively. By following such a practice the quality of the herds has gradually increased, and likewise the profits therefrom.

The National Co-operative Milk Producers Federation has started a movement to cause the teaching of economics in educational institutions to be directed so as to give a clearer understanding of the spirit and principles of co-operation.

Co-operation is not a panacea for all ills which beset the dairy industry, but it is worthy of serious consideration by dairymen who intend to continue long in the business.

CIRCULATION STAFF INCREASED

The circulation staff of the ARIZONA AGRICULTURIST was increased to two the past week when a new boy arrived at the home of Willie Williams. Heretofore the circulation department has consisted of one man; henceforth it will consist of one man and a boy.

A high price crop causes the farmers to plunge on that crop for the following year. Those that take exceptions to this rule and plant what was a low price, and what other farmers are not planting, reap a good price because of the great demand for their products.