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MEMBERSHIP RELATIONS OF THE UTAH POULTRY  
AND FARMERS' COOPERATIVE

by

Glen T. Nelson

THESIS

Submitted in Partial Fulfillment of the  
Requirements for the Degree of

MASTER OF SCIENCE

in

Agricultural Economics

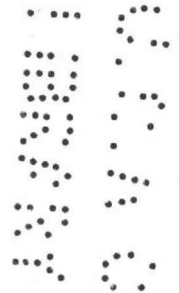
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THE GRADUATE SCHOOL

of the

UTAH STATE AGRICULTURAL COLLEGE

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Logan, Utah  
September 1, 1947

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Glen T. Nels

## MEMBERSHIP RELATIONS OF THE UTAH POULTRY AND FARMERS' COOPERATIVE

### Introduction

Importance of the poultry industry in Utah:- Commercial egg production in Utah has developed gradually since 1920. Production of eggs increased from 142 million in 1924 to 433 million eggs in 1946. <sup>1/</sup> The percentage of total farm income of the state derived from the poultry industry increased from 5.3 percent in 1924 to 23.1 percent in 1946 and at the present time constitutes the largest income of any farm enterprise in this area. Factors influencing this development are: 1. High prices resulting from the war period of 1917 to 1920 followed by the depression period when prices were low. 2. The organization of cooperative egg-marketing associations. 3. Shipments of eggs to the eastern markets. 4. The lack of marketing facilities for the high-quality eggs produced in the state.

The need for a satisfactory marketing agency was obvious to the agricultural leaders of the state since 1920. In the spring of 1922, a small marketing agency was formed at Gunnison, Utah. This agency, the forerunner of the present Utah Poultry and Farmers' Cooperative, was started as a private enterprise by one producer. Its functions were to assemble and grade eggs and to sell uniform high-quality eggs in markets outside of Utah. A grading plant was opened at Gunnison, where farmers delivered their eggs to be sold for them by the egg-marketing agency on the basis of a charge of 1 cent per dozen. During the latter part of 1922, two other men became interested in this new egg-marketing agency, and it became a tri-county organization operating in Sanpete, Sevier, and Juab counties, known as the Central Utah Poultry Exchange.

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<sup>1/</sup> Bureau of Agricultural Economics figures.

The activities of the new association aroused the interest of the Utah State Farm Bureau Federation, and at a convention of poultrymen in January, 1923, the Federation encouraged officers of the Exchange to make the organization state-wide in scope. The organization was incorporated in February, 1923, under the name Utah Poultry Producers, Inc. It began operations on a semi-cooperative basis, but before the end of the first year, it was decided by the leaders of the Association to operate on a strictly cooperative basis. On December 27, 1923, the articles of incorporation were amended to comply fully with the provision of the Utah Agricultural Cooperative Association Act, and the name of the Utah Poultry Producers Cooperative Association was adopted. The name was changed to the Utah Poultry and Farmers' Cooperative at the 24th annual meeting held March 5, 1947, in Salt Lake City, Utah.

Membership relations problem:- According to the annual financial report of the 1946 fiscal year of operation released by the officers of the Association, the volume of business done by the Association was approximately 19 million dollars. The volume of eggs handled totals 546,067 cases<sup>2/</sup> and the membership was about 6,500 producers<sup>3/</sup>. The Association was employing over 500 persons January 1, 1947. With the increase in the number of members and the volume of business, the importance of membership relations as a factor influencing the success of a cooperative association has been recognized by the Directors of the Utah Poultry and Farmers' Cooperative.

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<sup>2/</sup> Estimate of B.A.E. - 1,194,440 cases of eggs were marketed commercially in Utah in 1946. Of this number, the 546,067 cases of eggs marketed by the Utah Poultry and Farmers' Cooperative represents 45.7 percent of the eggs marketed by Utah producers.

<sup>3/</sup> Approximately 4,500 members have signed the egg-marketing contract compared to 2,000 persons who are members by having purchased \$200 worth of feed and supplies during the year from the Association.

As a basis of evaluating past policies and as a guide in the development of plans for the future, the directors of the Association authorized participation in a study of the relationship of the members to their Association.

Purpose of the study:- The purpose of this study was to determine the status of the relationship between the member and the Utah Poultry and Farmers' Cooperative Association, and to ascertain the effectiveness of the membership relations program of the Association as reflected in the producer's understanding of the organization and method of operation.

Sources of data:- The data needed for the analysis of the general policies and methods used by the Association to keep the members informed and satisfied have been obtained from the files of the central office and the various receiving stations, their official publication "The Utah Poultry Cooperator", personal interviews with the directors and managers, and a review of available literature pertinent to the study.

According to the records of the Association, approximately 71 percent of the members signing egg-marketing contracts live in Salt Lake, Utah, Sevier, Sanpete, and Cache counties. A membership relations questionnaire<sup>4/</sup> of 94 questions was used to obtain information from the members who maintained a flock of 300 hens or more. Interviews were made and questionnaires completed with 180 members of the Association representing approximately 10 percent of the members who live in the area surveyed.

The following shows the receiving station areas surveyed and the number of members interviewed which constitute the sample taken:

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<sup>4/</sup> Appendix A



<u>Receiving Station</u>	<u>Number of Samples</u>
Midvale	44
Riverton	30
Draper	16
Logan	25
Richfield	11
Manti	15
American Fork	13
Spanish Fork	13
Payson	<u>13</u>
Total	180

Organizational Features of the Association

Description of the organization of the Association:- The Utah Poultry and Farmers' Cooperative Association was organized for the primary purpose of marketing poultry products for the members of the Association and fostering and developing the poultry industry of the state. The organization is owned and controlled by the members and the primary benefits derived from its operation go to the producers who do business through the Association.

Membership in the Association is confined to producers who sign the egg-marketing contract or those who purchase \$200 worth of feed and supplies during the year. Each member receives one share of non-transferable stock without cost when he signs the contract. The producer's acceptance of such stock is deemed to be his subscription to the articles of incorporation and by-laws of the Association. Each member is entitled to one vote with no proxy voting allowed.

The Association originally was authorized to issue 300,000 shares of stock of a par value of one dollar per share, bearing 6 percent interest. Later the amount was increased to a million shares. This stock was issued to producers annually or semi-annually on the basis of a 30-cent per case deduction, and was redeemable in the order of issuance at the discretion of the Board of Directors.

In January, 1933, the articles of incorporation were amended to provide for the issuance of special investment stock instead of common stock. All capital stock formerly issued and outstanding on the date the amendment became effective was changed to investment stock. Provision was also made for the issuance of certificates of interest to the members on a revolving-fund basis for all subsequent scale-off deductions. These certificates are issued in series of ten-dollar denominations for each fiscal year, and are subject to redemption at par value, plus declared dividends at such times and under such regulations as the Board of Directors prescribe. All investment stock and certificates of interest issued to and including the year 1941 have been declared redeemable.

The control and management of the Association is under the direction of the Board of Directors. Originally the board consisted of five members, but was increased to nine in February, 1924. In order that the various sections of the production area covered by the Association may have representation on the Board of Directors, the area was divided into the nine districts each having an approximately equal volume of business. Each district is represented by a director who is a producer and is elected by the district membership for a period of three years.

Directors are nominated at the district meetings during the first week in December. Ballots containing the names of the nominees are then mailed to the members with instructions for voting. Ballots must be returned before the following January 15th. The results of the election are announced at the annual meeting of the members which is held normally during the first part of March of each year.

The Association is a centralized type of organization and thereby has direct control of all activities of the organization including the signing of the contract with the individual member. The contract becomes

effective when signed by both parties. It remains in full force for a period of one year and thereafter from year to year until the agreement is terminated by the member or the Association. Termination of the contract is brought about by either party notifying the other in writing of his or its intention not less than fifteen days prior to the termination of any one year period.

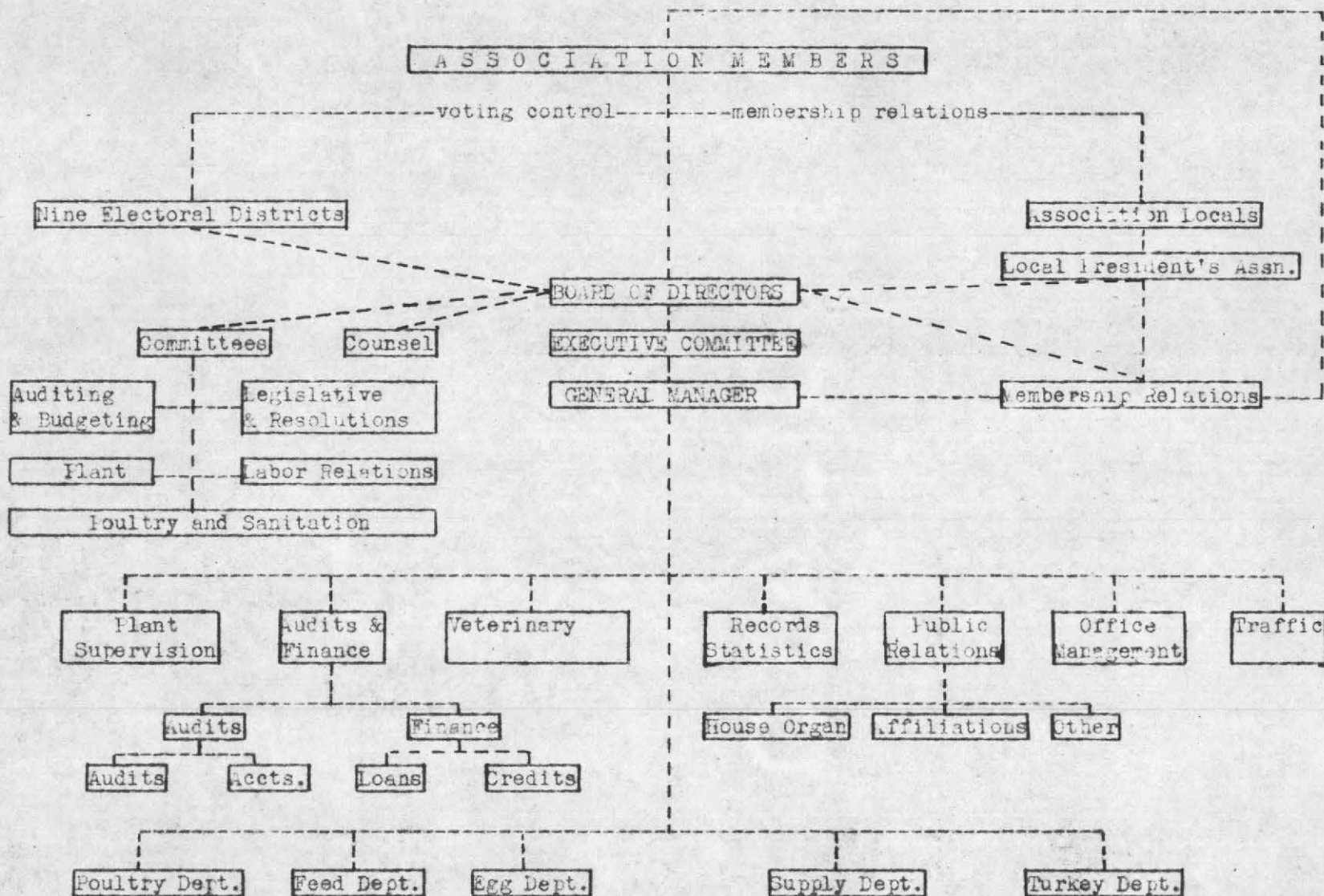
The Association operates local branch stations or plants to serve various areas throughout the state and southern Idaho where the volume of business justifies the operation of a station.

Local organizations of members have been organized in most poultry areas of the state. These locals are informal and are organized for the purpose of conducting educational work among the members. Meetings are held two or three times a year. Complaints and recommendations may be made and resolutions passed for consideration of the director of the district. The director, in turn, presents the local problems to the Board of Directors at their regular meetings.

The branch stations or plants are located at important points for handling of egg receipts and feed distribution. These stations are operated and managed by the central association and not by a local group. However, in some instances the local members own the buildings and equipment.

The organizational structure of the Association is shown in Figure 1.

Figure E. ORGANIZATIONAL STRUCTURE OF THE UTAH POULTRY AND FARMER'S COOPERATIVE



Source: C.K. Ferre, Assistant Secretary of the Utah Poultry and Farmer's Cooperative

All records of the Association including records for each member and each branch station are kept at the central office in Salt Lake City. All bookkeeping is done in the accounting department under the supervision of the chief accountant. Quarterly financial and statistical reports are prepared for the use of the Board of Directors. A complete and detailed audit of the Association's operations is made by an outside auditing firm,<sup>5/</sup> and a financial statement is prepared at the end of each fiscal year<sup>6/</sup> which is submitted to the Board of Directors and the members for their information and use. Bookkeeping at the branch stations consists chiefly of records of receipts and the distribution of eggs, feeds, and supplies. Each gatherer and candler makes a daily report to his branch manager. The branch manager sends a complete report each week to the central office.

The member is given the triplicate-numbered receipt when he delivers his eggs showing the number of eggs delivered. After the grading is completed, the original and duplicate copies are sent to the Salt Lake office listing the number and grade of eggs delivered by the producer. The price of the eggs is determined, the totals extended, and the deductions are made at the central office. The originals are filed in the central office and the duplicates are mailed to the member every week with a check for the total week's delivery.

The policy of the Association has been to build up operating capital on a revolving-fund basis by deducting from returns to members 1 cent per dozen on all eggs handled. The amount deducted is credited to the account of the producer and at the end of each year the Association issues certificates of interest to the member showing his investment in the Association for the current year.

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<sup>5/</sup> Goddard - Abby Co.

<sup>6/</sup> Fiscal year begins Sunday following the nearest Saturday to the 31st day of December and closes the Saturday nearest the 31st day of December.

Deductions are made from sales to cover costs of containers, candling, grading, processing, transporting, storage, selling, and general overhead costs. A sufficient spread between the price paid to the producer and the estimated sales price is allowed to cover the costs of preparing the commodities for the market and selling them. The Association has attempted to operate on a cost basis from week to week. When the sales prices and the prices paid to the member for eggs, less deductions, result in either earnings or losses, the Association immediately makes the necessary adjustments in the current prices to the members.

Methods used to keep the members informed:- The importance of keeping the members informed concerning the activities of their organization is an important factor in determining the success of a cooperative association. Members are generally not interested in the details or technical phases of operation of their organization, but they are concerned with the fundamental principles on which a cooperative is founded and how the cooperative serves them.

The manager of the Association, Mr. Clyde C. Edmonds, expressed his ideas on what information should be furnished members of cooperative associations in a lecture given at the sixteenth summer session of the American Institute of Cooperation held at Michigan State College of Agriculture July 8 to 12, 1940.<sup>7/</sup> He said:

The producer is entitled to know what his cooperative can do for him that private enterprise fails to do. He should know and, so far as possible, be made to appreciate the fact that his cooperative has put him in a position where he and his fellow-producers are in control of the merchandizing activities that were previously performed by the private interests. It gives him a voice in the selection of the directorate, through which

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<sup>7/</sup> American Cooperation, 1940. Edmonds, C. C. What information should be furnished members. Washington, D. C.: American Institute of Cooperation. pp. 275-276

his ideas can be transmitted to the full board of directors for their earnest consideration. It gives him a sense of responsibility for the well-being of the association, because his money is invested in it, and he has become a part of it. He is contributing to the upbuilding of the community. He has helped to create a payroll. There is a sense of satisfaction that can scarcely come from dealing with private interests.

The methods used by the Association to keep the members informed are as follows:

1. The "Utah Poultry Cooperator".
2. Publications in newspapers and magazines.
3. Meetings.
4. Directors contact with members.
5. Ladies auxiliary organizations.
6. Other methods used less extensively.

Prior to September 1936, when "The Utah Poultry Cooperator" was first published, the Association used a weekly letter to keep the members informed about the status of their organization. Important divisions of the magazine include:

1. Farm supply division.
2. News from Washington.
3. Managers personal page.
4. Advertisements.
5. The question box.
6. Know your association.
7. Editorials of current interest to the members.

As part of the educational program used by the Association, an article entitled, "Four Pledges for Cooperatives for 1947", written by W. H. Dankers of the University of Minnesota Agricultural Extension Service, was published in the "Utah Poultry Cooperator", January, 1947. Suggested pledges were made by Mr. Dankers for members, managers, employees, and

directors. The editor of the "Utah Poultry Cooperator" included a note to the members mentioning that January was an ideal month for making resolutions or pledges to do better.

As a source of information to the members, an article entitled, "A Dozen Reasons why it pays to Cooperate" was published by the Association in the Deseret News on December 14, 1946. Figure 2.

The annual convention of the Association was held in three parts early in 1947 rather than just one meeting as was previously held in Salt Lake City. The first meeting was held in Logan, the second in Richfield, and the final session in Salt Lake City. The new arrangement of meetings made it possible for an additional thousand or more people to attend the convention.

Speakers for the convention were the Governor of Utah, a member of the first presidency of the Latter-day Saint church, and the vice-president of the Berkeley Bank for Cooperatives. Sales representatives of the Association from New York, Los Angeles, and San Francisco were present at all three meetings to give reports for their respective areas.

In the managers report given at the annual meeting held in Logan, Utah, February 28, 1947, Mr. Clyde C. Edmonds discussed the following with the members of the Association:

1. The functions of the central office.
2. Losses on the storage of eggs in 1931 and 1937. This is the only years the Association has had losses on the storage of eggs.
3. The change in the market from the eastern to the western market.



Figure 2. A Dozen Reasons why it pays to Cooperate



# A Dozen Reasons Why IT PAYS TO CO-OPERATE

More poultrymen of Utah and Southern Idaho are members of this farmer-owned co-operative organization than at any other time in our twenty-four year history. Why? Because it pays them more than ever before. Yes, it pays and pays in a dozen ways.

Not only is our number greater, but members are using more fully the complete services of the organization. Only through co-operation—only through this co-operative—can such benefits be obtained. Here are the dozen services offered:

1. **GROWER-OWNED AND CONTROLLED:** There is no one else as interested in this organization as the grower and he has an equal vote in determining the policies and management of the Association. All savings made through our cooperative efforts are returned to producers, in direct proportion to the volume of business handled for them.
2. **BETTER EGG MARKETING:** At twenty-four egg-receiving plants in Utah and Southern Idaho "Milk White" Eggs are received, graded, packed, and shipped daily to markets from coast to coast. Highest prices are received and sales are handled at actual cost.
3. **DEPENDABLE FEED SUPPLIES:** In war and post-war years especially . . . when feeds have been scarce . . . knowledge that the most dependable source of quality poultry feeds has been their own "coop" has been of incalculable value to members. Now, as always, "coop" feeds are best and cheapest.
4. **BETTER POULTRY MARKETING:** "Milk White" poultry is handled through five conveniently located plants . . . at lowest possible costs.
5. **COOPERATIVE TURKEY MARKETING:** Complete marketing facilities, with sales representatives from coast to coast, enable us to secure highest market prices for turkey growers.
6. **COOPERATIVE ACCOUNTING:** This service gives to each of our thousands of members, at nominal cost, the expert and accurate bookkeeping service that would be prohibitive in cost to an individual operating alone. It also assures to him full and prompt returns.

7. **COOPERATIVE EDUCATIONAL PROGRAM:** Through close cooperation with state colleges and experiment stations and national organizations, we maintain a year-round cooperative educational and information service to our members.
8. **COOPERATIVE TRANSPORTATION SERVICE:** By pooling shipments in carlots and by securing lowest possible rates from railroads and truck lines, transportation costs are reduced. Cooperative pickup and delivery of eggs, poultry, feeds and supplies means additional savings for members.
9. **COOPERATIVE BUYING:** Through our purchasing department the combined buying power of all members enables each one to secure at money-saving prices his complete poultry equipment and supplies and many other hard-to-get farm, household, and personal needs.
10. **COOPERATIVE VETERINARY SERVICE:** We maintain for the benefit of our members a full-time veterinarian and offer for sale, at actual cost, dependable poultry remedies.
11. **SCIENTIFICALLY PREPARED FEEDS:** In our modern feed plant, feeds for poultry of all kinds, and also for hogs, dairy cows, and farm-hoarding animals, are scientifically prepared from the finest ingredients by experts—and sold to members at cost.
12. **SCIENTIFIC DRESSING PLANTS:** Five poultry and turkey dressing plants with the latest and most efficient equipment are operated at cost for the benefit of producers.



**UTAH POULTRY AND FARMERS' CO-OPERATIVE**

4. Tax problems and the Tax Equality Association activities as they relate to cooperative marketing.
5. Increase in the shipping costs for poultry products.

Additional information of importance to all members was given in a financial report presented by the central office manager and assistant secretary of the Association at the annual meetings showing a picture on charts of the progress and financial success of the Association. The feed situation was discussed and the work being done by the purchasing department was explained by the assistant general manager of the Association.

The control and management of the Association is under the direction of the Board of Directors. Each of the nine districts is represented by a director who has assisted in formulating the operating policies for the Association and is in a position to give information regarding these policies to the members. Five of the nine directors of the Association were interviewed. Each director mentioned that one of his most important duties was to keep the members informed of the activities of their organization.

Following suggestions made by the Association's Board of Directors, the members of the Ladies Auxiliary Organizational Committee outlines a program to organize into local groups the more than 1000 members they have enrolled in their organization. Many local organizations are now in operation and others will be functioning soon. The purpose of the Auxiliary is to further the best interest of the Association and to conduct an educational program that will develop a well informed membership in the principles and ideals of cooperation.

Other methods used less extensively by the Association to inform their members are:

1. Circular letters from the central office giving price and market information, production suggestions, and disease-control information.
2. Competent haulers of eggs and feeds for the Association.
3. Well-informed local receiving station employees.
4. Field representatives and the veterinarian of the Association.
5. Displays at county and state fairs.

Services made available to members:- In addition to acting as the producer's agent in marketing his poultry products, the Association renders other services. The most important services made available to the members are:

1. Service provided by the field representative.
2. Veterinarian service.
3. Providing feeds and supplies to the members.
4. Hauling of eggs and distributing of feeds.
5. Purchasing of baby chicks.

The importance of the work of a fieldman in a poultry cooperative organization was emphasized by Mr. Clyde C. Edmonds at the first summer session of the American Institute of Cooperation held at the University of Pennsylvania in Philadelphia, July 20 to August 15, 1925<sup>8/</sup>.

His statement was as follows:

"You should have a fieldman whose business it is to travel from community to community to visit with the producers and talk over the problems existing there. There is an inclination on the part of the producer to retain under his chest a complaint until it grows into a rather large thing in his mind. He does not like to write to headquarters, but he will talk to a fieldman. A good fieldman is of primary importance in any cooperative organization."<sup>8/</sup>

<sup>8/</sup> American Cooperation, 1925. Volume II. Edmonds, C. C. Practical Organization of a Poultry Cooperative Association, Washington, D. C.: American Institute of Cooperation. pp. 340-341

Realizing the importance of a competent fieldman, the Board of Directors have been especially careful in the selection of a field representative for the Association. The fieldman is a person who has been a successful plant manager and has had the opportunity to learn the problems of the local receiving stations and the methods used in the business dealings with the individual members. He has had the background and training to meet a group of producers and talk intelligently about their problems. The receiving station managers request his service through the central office. No regular or systematic visits are made to the producers farm. The cost of the service of the fieldman is part of the overhead expense of the central office.

Since 1928, the Association has employed a full-time veterinarian to assist its members with the health problems of their poultry. It was his duty to visit the individual members on their farms and to give suggestions as to improvements in sanitation and care necessary for the prevention and cure of disease. The Association soon found that the service of one veterinarian was insufficient to serve all of the members, so in May, 1929, ten local veterinarians were hired, on a part-time basis. Each was to make three yearly canvasses of his particular territory and to take care of any emergency calls in the area. The service was made available to all members and they were charged for the service whether they availed themselves of it or not.

This method of supplying veterinary service did not prove satisfactory, because of the lack of specialization in poultry work on the part of the veterinarians and the part-time aspect of the work. The policy was adopted for each receiving station to employ a veterinarian if one was desired. In addition to the veterinary service that may be acquired by the receiving stations, a veterinarian with special training in poultry diseases is employed by the Association. He is stationed

at the Salt Lake City office to carry on research work in poultry diseases and to serve the members in case of serious emergencies, such as outbreaks of infectious diseases. The veterinarian's visits are made at the request of the receiving station managers, and no regular or systematic canvass is made of the poultry farms. The cost of the service is borne entirely by the Association as part of the general overhead expense.

The Association imported supplemental feeds for sale to its members as early as 1936. It was learned that the selling of straight feeds such as corn and wheat did not fully meet the needs of the producers. The Association requested the Poultry Department of the Utah State Agricultural College to develop formulas for more suitable feed, and in 1928 entered into an agreement with a commercial feed company at Ogden, Utah, to prepare feeds and mashes. The grinding and mixing was under the supervision and inspection of an association representative. This arrangement was not entirely satisfactory, and in 1931 the Association began to manufacture its own feed in the main plant in Salt Lake City.

Purchase of feed or supplies from the Association is optional with association members. Feed sales to producers are on a cash basis except to producers who have delivered eggs. They may be given credit for feed to the extent of 75 to 80 percent of the estimated net returns of the eggs. Feed is sold at cost, plus a small margin of 3 percent, which insures safety of operation. The feeds and supplies are available at all association receiving and distributing stations. In addition to feeds, members can purchase a variety of poultry and dairy equipment, building materials, household supplies, and farm tools from all receiving stations.

When the Association was first organized, most of the trucks used for collecting eggs and distributing feeds and supplies were

operated by the Association. This plan did not prove satisfactory, according to the records of the Association. The policy followed at present is to enter into a lease agreement with the haulers for the use of the trucks and the service of the driver. This gives the Association the control of the truck without the necessity of owning it.

Prior to 1931, the Association bought large numbers of baby chicks for its members. Purchases were made from carefully selected hatcheries in California. There were few hatcheries in Utah which met Association requirements at that time. Chicks were sold to members at the market price, and any profit from the sales was returned on a pro-rata basis to the purchasers. By 1931, the number of Utah hatcheries which met the Association standards had increased and many producers began to buy their chicks locally and directly. The service of placing orders for baby chicks is provided at the present time to the members desiring to make purchases through the Association.

#### Analysis of the Membership Relations Program of the Association

General background information:- This section of the report gives general background information which is important in helping to present the analysis of the 180 records obtained from the members.

All of the persons interviewed were members of the Association and owners of the poultry enterprise. If the member was busy or not at home, an effort was made to return when suitable arrangements could be made to take the record. Otherwise no record was taken.

The procedure used in taking the records was for the interviewer to read the question to the member exactly as it appeared in the questionnaire. The comments on the questions were written on the questionnaire form by the person taking the record as the member gave his answer. The record was checked for accuracy and completeness at the end of each interview.

The average length of membership of the persons interviewed was 14 years. The largest number of members joined the Association during the five year period of 1927 to 1931 inclusive. The number and percentage of members joining the Association for various periods are as follows:

<u>Period</u>	<u>Number and percent of members who joined the Association</u>	
	<u>Number</u>	<u>Percent</u>
1923-1926	32	18
1927-1931	55	31
1932-1936	31	17
1937-1941	26	14
1942-1946	36	20
Total	180	100

A total of 56 percent of the members interviewed were over 50 years of age, compared to 32 percent who were from 31 to 50 years old and 12 percent who were 30 years of age or under.

Information obtained from the survey revealed that 4 percent of the members had graduated from college and an additional 19 percent had attended college. Twenty-two percent graduated from high school and an additional 21 percent attended high school. Twenty-two percent graduated from grade school, and an additional 12 percent attended grade school.

The size of the laying flocks has remained nearly the same comparing the pre-war period of 1935-39 with the January 1, 1947 figures of the number of hens in each flock. Approximately two-thirds of the members had flocks of 300 to 999 hens indicating that the poultry enterprise is usually supplemented by some other occupation.

Method of Analysis:- The analysis of the 180 records obtained from the members of the Association is presented as it applies to the membership relations in general. However, in some cases comparisons are made by receiving stations. Stations with few members are compared with stations having a larger number of members by expressing the figures in percent. Where there was a noticeable difference in the information obtained from the members in the various receiving station areas, attention will be directed to the difference with more detailed analysis presented by areas. In other cases where the data were of a uniform nature, a detailed analysis by receiving stations will not be presented.

Analysis of the membership relations program:- The status of membership relations and the effectiveness of the membership relations program of the Association are presented under the following headings:

1. Organization.
2. Support of the members.
3. Informed membership.
4. Satisfied membership.
5. Operating program.
6. Management.

Organization:- Democratic organization and control is an essential relationship between the members and their association for successful cooperation. Eighty percent of the members interviewed felt they had sufficient voice in management. The remaining 20 percent suggested using a different system of electing directors and having more consideration given the suggestions made to the local director as ways of giving members more voice in the management of the Association. Eighty-two percent of the members said they had voted for directors at one time or another which indicated their interest in electing officers for their organization.



The members of cooperative associations are entitled to and generally expected to participate in the management activities such as voting for directors, giving suggestions to the local director to be presented at the meeting of the Board of Directors, and interviews with local plant managers. The ways the membership exercise their privileges are important to the officers of the Association who are in a position to give the members additional opportunities to enjoy their rights as part-owners of a business. The number of members who have participated in the management activities is an indication of their interest in their organization. The management activities in which members have participated are as follows: 9/

1. 147 members or 82 percent have voted for directors.
2. 43 members or 24 percent have given suggestions to the local director to be presented at the meeting of the Board of Directors.
3. 39 members or 22 percent have had personal interviews with the local plant managers.
4. Other activities listed were forming local Association policies and local committee work.

The control and operation of the affairs of the Association are recorded in the by-laws as they have been approved and adopted. A knowledge of the by-laws is an important asset to any member of a cooperative association. A question was ask the membership concerning their reading of the by-laws of the Association and information was obtained that 62 percent had read them. A few of the members expressed a desire to read them if copies were made available. Others mentioned the by-laws should be discussed more

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9/ An average of 1.4 activities was mentioned by each member.

often at the meetings held by the members of the Association.

The policy of the Association is to elect a president and three of the nine directors every year. Local presidents, secretaries, and committee members are sometimes changed every few months. The opportunities for the members to hold positions in the local and central organization are numerous as is shown in table 1.

Table 1. Percentage of Members who have held various positions in the Association.\*

Position	Percent who have held positions
Director	16
Committee work	12
President of a local	11
Secretary of a local	4
President or vice-president of the central Association	2

\* Answers to the question, "What position or positions do you hold or have you held in the Association?"

Since the Association was organized, 16 percent of the members had been a director for at least one three year term, 12 percent said they had participated in committee work in either the local or central organization, and 11 percent of the members had been president of a local group. Several members had held more than one position in the organization of the Association. Holding positions of responsibility gives the members the chance to develop leadership and to become better acquainted with their organization. Their interest is usually increased and they feel more satisfied with the work that is accomplished, because they have contributed to the progress of their organization.

The use of a contract is considered by some agricultural leaders as one of the essential factors for the success of a cooperative marketing association. The contract is used to provide an understanding between the member and the Association. The agreements and promises of both parties are described in detail. The signing of the contract by the producer is his acceptance of the articles of incorporation and by-laws of the Association. He is part-owner and entitled to all the privileges members enjoy.

All of the 180 members interviewed had signed the contract and only 12 percent had any objection to its provisions. Thirty percent of the members in the Riverton area mentioned opposition to the contract.

They listed the following objections:

1. Should not have to sign a contract to be a member.
2. Should not have to sell all their eggs to the Association.

The members in the Riverton area evidently did not realize the importance of a contract in providing the security that is necessary for the successful operation of a cooperative marketing association. When they sign the contract, they agree to deliver their eggs to the Association in first class condition. The members are the organization, and they must be willing to assume their share of responsibility, to stand by the Association at all times, and to help bring about changes that are necessary for the success of their Association.

The reasons given by members for joining the Association provide information that will be useful in organizing cooperative marketing Associations. Comparisons can be made with the reasons given why producers have quit the Association to determine the relationship of the producer with the Association. Many problems can be solved and difficulties discovered before any serious problem develops. The reasons given for joining the Association are as follows: 10/

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10/ An average of 2 reasons was given by each member for joining the Association.

1. 136 members or 76 percent joined to provide a market for his product.
2. 89 members or 49 percent joined because of a belief in cooperative organization.
3. 61 members or 34 percent expected better prices.
4. Other reasons mentioned were that the Association was recommended by a person whose opinion the member respected, no other satisfactory market was available, to obtain feed and supplies, and to bring an industry to the community.

The need for an adequate marketing service was evident with the development of the poultry industry in the state after 1920. More eggs were being produced than could be used within the state. Cooperative marketing agencies were organized to provide the necessary outlets by locating and developing out-of-state markets. The markets thus developed were available for the producers to market their products which accounts for the large number of members giving the reason they joined the Association was to provide a market for their products.

The opportunity to work together with the satisfaction that results therefrom, and belief that cooperation pays influenced 49 percent of the members to say that the reason they joined the Association was because of their belief in a cooperative organization.

One of the purposes of cooperative marketing is to reduce the costs of marketing and increase the returns to the members. The combination of a continuous market for their products and the reduction in marketing costs resulting from successful marketing probably influenced some of the membership to answer that they joined the Association in expectation of better prices for their poultry products.

The incentive to obtain profits applies equally to individual poultry producers and persons engaged in other businesses. Membership in a cooperative association is not as valuable to some producers as an offer for higher prices by other marketing agencies. Most competitive marketing organizations use high prices as a means of increasing their volume of business. Many producers fail to realize that the prices paid by competitors and the Association are not comparable. In addition to the prices paid for poultry products by the Association, members receive interest on their investment and a share in the savings of the Association.

In contrast to the reasons mentioned by members for joining the Association, members were asked why others who had been members of the Association quit. They gave the following reasons:

1. 62 members or 34 percent believed better prices elsewhere.
2. 35 members or 19 percent thought the grading of eggs was not satisfactory.
3. Other reasons mentioned were disagreement with the management, feed prices were too high, the grading of live poultry was not satisfactory, the failure of the members to cooperate, other marketing agencies provided flats and fillers, and the Association's overhead costs were too high.

The advantages of membership in a cooperative marketing organization are considered by a majority of the members before they change to another marketing agency. The members who do not understand the reasons why the prices paid for poultry products by privately-owned marketing agencies and the Association are not comparable as is pointed out above, may sell their products to another agency thinking better prices will bring them more monetary returns.

Satisfying members with the grading of eggs is a continuous problem for the management of the Association. This, however, is only minor as a cause in comparison for discontinuing membership in the Association for better prices elsewhere, but it is still important in keeping the members satisfied. There is a joint responsibility for the grade of eggs. The members can do their part in handling the eggs carefully, in gathering the eggs often, and in storing them at the proper temperature until they are delivered to the receiving station. The local plant manager is responsible for hiring and training efficient candlers, for the careful handling of the eggs after they are delivered to the receiving station, for storage at the proper temperature, and for all other precautions that are necessary in maintaining quality until the eggs are sent to the market.

The benefits members feel they receive by being members of the Association compared to those the non-members enjoy are important to good membership relations. The members are concerned about having a few advantages for being part-owners of the Association. They are interested, too, in the support of the non-member to increase the volume of business done by their organization. The benefits members received by being members of the Association are as follows: 11/

1. 127 members or 70 percent believed an adequate source of feeds and supplies were provided by the Association.
2. 125 members or 69 percent thought the Association provided a market for eggs.
3. 78 members or 43 percent said they received higher prices for eggs.

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11/ An average of 2.4 benefits was given by each member.

4. 62 members or 34 percent thought the Association provided a better market for live poultry.
5. 30 members or 17 percent believed better service was provided in the hauling and the grading of the eggs.
6. Other benefits were patronage dividends were received on an investment, members learned about a cooperative association, a feeling of security was provided, the service of a trained veterinarian was made available, feeds were cheaper, and credit facilities were provided to the member.

It is interesting to note that approximately an equal number of members felt that the benefits they received by being members were that the Association provided an adequate source of feeds and supplies, and a market for their eggs. The members thought these two benefits were more important than higher prices for eggs. The belief on the part of the membership in the large number of benefits received indicates they have a good understanding of the functions of their organization.

Any active member of a cooperative association has certain rights as part-owner of the organization that non-members do not enjoy. A question was ask the membership concerning the benefits they felt they enjoyed that non-members do not. The following benefits were given by the members: 12/

1. 130 members or 72 percent believed they were given preference when feed was scarce.
2. 106 members or 59 percent said they could exercise the voting privilege.
3. 98 members or 54 percent said they received a share in the refunds and profits of the Association.

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12/ An average of 2.5 benefits was given by each member.

4. 53 members or 29 percent believed they were sure of a market for the poultry products.
5. 39 members or 22 percent thought they received a voice in the management of the Association.
6. Other benefits were that they received interest on an investment, feeds were cheaper, and service was provided by the Association's veterinarian to the members.

The members realized the advantage of membership when the Association provided feed to them in preference to non-members when feed was scarce. They were also aware of their advantages in having the voting privilege and of being sure of a market for their poultry products during the high production period when the markets were flooded and the Association was unable to handle only members products. An important item to approximately half of the members was that they shared in the refunds and savings of the Association.

It is recognized by most cooperative members that non-members receive benefits by selling their products or by purchasing feeds and supplies through the Association. The Association realizes an advantage by increasing the volume of business. The members were ask a question concerning the benefits they thought non-members received by doing business with the Association. They mentioned the following: 13/

1. 116 members or 64 percent thought non-members received the same price for eggs as the member.
2. 100 members or 56 percent believed feeds were supplied.
3. 73 members or 40 percent thought surplus eggs were removed from the local market.

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13/ An average of 2.2 benefits non-members have received by doing business with the Association was listed by each member.



4. 71 members or 39 percent said a market was provided for poultry products.
5. 18 members or 10 percent believed the veterinarian service was provided.
6. 12 members or 7 percent said the service of hauling eggs for non-members was made available.

The non-members receive many benefits by doing business with the Association. The members thought the most important benefits non-members enjoyed were they received the same price for eggs as the member and feeds were supplied to them. The removal of eggs from the local market and a market for their poultry products were mentioned as other significant benefits non-members enjoyed.

The membership evidently understand the principle of cooperation in treating non-members the same as members.

A question was ask the members to find out what they thought would be the result if the Association went out of business. In the American Fork, Draper, and Riverton areas a large percent of the membership felt that another cooperative egg-marketing agency would provide the marketing service. The members in these areas said competitive agencies had given excellent service in marketing poultry products. The membership of other areas mentioned lower prices and the loss of the market completely. The members feeling of security because of the existence of the Association is shown in what the members thought would be the result if the Association went out of business. They mentioned the following: 14/

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14/ An average of 1.4 answers was given by each member.

1. 121 members or 67 percent thought they would receive lower prices.
2. 91 members or 51 percent thought another marketing agency would provide the marketing services.
3. 42 members or 23 percent mentioned the loss of the market completely.

The general thinking of the members is the Association has created a better market for their products. The members who said they thought they would receive lower prices if the Association went out of business recognized the Association had influenced the prices they had received. The faith of the membership in cooperative organization was expressed by them when they mentioned another marketing agency would provide the service. The members who mentioned the loss of the market completely were convinced that the Association had benefited them.

Support of the members:- An important consideration for the stability of any cooperative organization is when difficulties arise members do not withdraw their support. The understanding of their place in the organization must be developed to such an extent that they are willing to assume their share of responsibility, to stand by the Association at all times, and to help bring about changes that are necessary for the success of their organization.

The loyalty of the members is clearly shown by 68 percent mentioning they would not sell to competitors for any amount above Association prices. The support of approximately two-thirds of the members is pledged regardless of the price competitors offer for eggs. A large percent of the other members mentioned various prices from two cents to two dollars as the price they would have to receive above Association prices to sell to

another marketing agency. Only 3 percent of the members would sell to another agency for an additional cent per dozen for eggs.

The members pledge their support to deliver their poultry products to the Association when they sign the egg-marketing contract, but the purchase of feeds through the Association is entirely optional. A question was ask the membership to find out what they thought were their responsibilities to the Association. The members mentioned the following: 15/

1. 139 members or 77 percent mentioned the delivery of their poultry products to the Association.
2. 129 members or 72 percent said loyal membership by supporting the policies of the Association.
3. 101 members or 56 percent thought the buying of feeds from the Association.
4. Other responsibilities were attending meetings, exercising the voting privilege, soliciting members, and providing a good product for the market.

The members apparently realize their responsibilities to the Association, and understand the important provisions of the contract covering the delivery of their products to the Association. It is interesting to note that approximately three-fourths of the members mentioned loyal membership by supporting the policies of the Association as one of their most important responsibilities to the Association. Others felt that purchasing feeds from the Association was a responsibility of the membership even though they were not obligated by any contract or agreement to support the feed department of the Association.

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15/ An average of 2.7 responsibilities was mentioned by each member.

A comparison of the number of members who were solicited to sell outside the Association with the number who did sell to other marketing agencies is evidence of the loyalty of the members. Within the last five years, 75 percent of the members have been solicited to sell outside the Association. Competition has been more noticeable within the last year with 39 percent of the members being approached to sell their products to other organizations. In answer to the question, "Have you ever been a member of any other poultry or egg-marketing Association?", only 17 members answered in the affirmative. Of these members, 12 had been members of another Association before joining the Utah Poultry and Farmers' Cooperative, and 5 members had quit the Association temporarily, but later rejoined.

The above statements indicate that few members have changed their membership even though they were solicited to sell to other Associations. Of the 180 members interviewed, 135 had been solicited to sell their poultry products outside of the Association and only 5 had marketed their poultry products with other organizations.

The attendance at the meetings held by the Association is an indication of the support of the members. Annual meetings were attended at least once by 57 percent of the members and 30 percent attended over half of the meetings compared with 70 percent of the members who mentioned they were present at local meetings at least once and 59 percent were in attendance over half the time.

The average length of membership for the 180 members interviewed is 14 years. Considering this fact, it is evident that meetings held by Association are well attended. Attendance at the annual meetings will improve since the aim of the officers of the Association is to give more members the opportunity to attend annual meetings. In 1947, they adopted

the policy of holding the annual convention in three areas rather than just one meeting which was previously held at the headquarters of the Association in Salt Lake City each year.

Informed membership:- As part-owner of the Association, the members should be well informed about their organization as well as concerned with the operating policies and plans for the future. The aim of the officers of the Association should be to develop a successful technique of promoting united group action, and formulating methods of membership contact such as are necessary to healthy growth and permanent success.

An indication of an informed membership is the relationship of the members who felt they were sufficiently informed about their organization and the answers they gave when ask questions on the sources of information, methods they think should be used more extensively to keep them better informed, and their understanding of the operating policies of the Association. Of the total, 81 percent of the members felt they were sufficiently informed about the operation of the local association, and 77 percent mentioned they knew all the information they desired about the central Association. With few exceptions the members who said they were not sufficiently informed about the Association indicated that the information was made available to them, while some members expressed a desire for additional information. Of the 180 members interviewed, 8 members thought the issuance of a financial statement to each member at the end of each year of the activities of the Association would be helpful, 9 favored receiving price and market information, 6 believed that information concerning the salaries of the employees of the Association should be given to the membership, 5 thought production suggestions would be desirable, and 4 members suggested information on the storage of eggs by the Association as information they desired.

Several questions were ask the membership concerning the names of the officers of the Association, how the members of the Board of Directors were elected, the egg-marketing contract, the financial policies, and the amount of business done by the Association. The information obtained reveals that 95 percent of the members knew the name of the local plant manager, 82 percent the general manager, 56 percent the assistant general manager, 57 percent the local director, and 34 percent the president of the central Association. The new president of the Association was elected only a month before the survey was made. One-third of the members remembered the name of the president which is an indication that the methods used by the Association to keep the members informed are efficient. The names of the officers of the Association in general were well known to the membership.

The method of electing directors was known by 80 percent of the members, but only 43 percent understood the term of office was three years, and 27 percent knew there were nine directors in the Association. Of the total, 86 percent of the members thought the contract provided for a withdrawal from the Association, and 44 percent knew the duration of the contract. The Association began using the present contract in January, 1940. It remains in full force for a period of one year and thereafter from year to year until the agreement is terminated by the member or the Association.

The members who have taken an active part in the activities of the Association are usually acquainted with the organization and policies of the Association. Even though a majority of the membership felt they received all the information they desired about their organization, they would support the activities of the Association more if they were better informed about the contract they have signed and the activities of the Board of Directors. They would probably talk more about their organization to their friends and neighbors and all would be better informed.

The amount of eggs handled by the Association in comparison to the other egg-marketing agencies in the state and the location of the egg markets are important items to the owners of the Association in making plans for the future. Of the 1,194,440 cases of eggs the Bureau of Agricultural Economics estimated were marketed commercially in Utah in 1946, records of the Association show that they handled 546,067 cases representing 45.7 percent of the eggs marketed commercially in Utah during 1946. Fifty percent of the members knew the approximate amount of eggs handled by the Association and the shift from the important eastern market of the pre-war period to the thriving western market at the present time, indicating a rather successful effort has been made by officers of the Association to inform the members of the latest market news.

An important phase of membership relations is the members' understanding of the financial position of the organization. The Associations' indebtedness at the close of the 1946 fiscal year was \$2,654,546.05, and the net worth was listed at \$2,214,818.55. A statement of the financial position of the Association has been made available at various times according to 71 percent of the membership who said facts on indebtedness and net worth were published for their information. Even though this information was made available, only 4 percent of the members knew the approximate indebtedness and 34 percent gave the correct figure for net worth. Some of the members said they did not desire to know the financial standing of the Association as long as they were receiving interest on their investment and a share in the savings of the organization.

Certain financial policies were well known by the members as is indicated by the fact that 98 percent thought the certificate of interest was issued to them to represent their investment in the Association and 91 percent knew the deduction made per dozen eggs to finance the revolving-fund was 1 cent.

The sources the members receive most of their information about the Association and the methods they think should be used to a greater advantage to keep them informed are important facts the management can use in planning the activities of the Association. The membership thought they received most of their information from the following sources:

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1. 121 members or 67 percent favored the "Utah Poultry Cooperator".
2. 85 members or 47 percent thought circular letters.
3. 57 members or 32 percent said meetings.
4. 57 members or 32 percent thought employees of the Association.
5. Other sources were the neighbors and haulers of eggs and feed.

It is interesting to note that approximately two-thirds of the members mentioned the "Utah Poultry Cooperator" as one of the most important sources of information about their Association. Circular letters were listed next in importance with meetings and employees of the Association considered of equal importance by one-third of the members.

The "Utah Poultry Cooperator" was mentioned as the most important source of information about the Association. The sections read and percentage of the members reading that particular section of the "Cooperator" are as follows:

<u>Section Read</u>	<u>Percent of members who read the section listed.</u>
Editorials written on disease control	73
Managers personal page	73
Farm Supply Division	65
News from Washington	58
Know your Association	58
The Question Box	52
Advertisements	39

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16/ An average of 1.9 sources was mentioned by each member.



The members are more interested in information which directly concerns them rather than information of general news about the Association. They desired information on disease control and the comments of the manager of their Association. They felt that knowing of the supplies that were made available through the Association and the happenings in the Association were more important than the paid advertisements.

The members thought other methods could be used more extensively to keep them informed. The importance of the circular letter was emphasized by two-thirds of the members as the most significant method the Association could use to send them information. Other methods members believed should be used more extensively were more meetings, additional contact with the field service man, radio programs, and newspapers.

**Satisfied Membership:-** How the members feel toward their Association and its policies, the occasions they have had to make a complaint or request an adjustment, and the results of their requests are important relationships between the members and their organizations. Satisfied members are more likely to give their active support to the activities of the Association. They are usually better informed about their organization, and they are ordinarily contributing to the efficiency of the operating program.

An indication of the satisfaction of the members might be drawn from the fact that 96 percent thought the Association fulfilled its part of the contract. Most of the members who felt the Association did not fulfill its part of the contract were in the Riverton area. No attempt was made in their survey to find out the reason for the concentration of dissatisfied members in the Riverton area.

The members' feelings concerning the relationship of the price of eggs and increasing the amount of eggs handled by the Association were

expressed when 43 percent answered "yes" to the question, "Do you believe that the Association could get better prices if it controlled a larger portion of the Utah egg production?" Other members felt that competition from other cooperative Associations and privately-owned marketing agencies would be a stimulus for producing a higher quality product and as a result members would receive higher prices. A few members thought that competition would also serve as a means to realize full utilization of the services of the managers and employees of the Association, because everyone would have to work hard to maintain an efficient organization.

The satisfaction of the members with the policies of the Association is indicated in the findings of the survey which reveals that 96 percent have received courteous treatment in their dealings with the Association. Thirty-six percent of the members had an occasion to make a complaint, and 28 percent considered the complaint serious enough to request an adjustment. After making the request for an adjustment 78 percent said they were satisfied. A majority of the members who were not satisfied with the results of their requests were concerned with the grading of eggs. They said no adjustments were made and the grading did not improve after they made their request. Other complaints of minor importance were that 6 members said they received poor feeds, 5 members believed the eggs were broken at the receiving station and the loss was charged to the member, 4 members felt there was a delay in the marketing of live poultry, 2 members said a few employees were not courteous to the members, and 1 member thought the central office requires too much work of the local receiving stations.

The members satisfaction with the grading of eggs has been comparatively uniform in all receiving station areas. Comparisons were made by the members of the year they became a member with the grading done in 1946. Of the total, 89 percent of the membership said the Association's

grading of eggs was satisfactory the year they became a member and 82 percent expressed approval for the grading done in 1946. Of the 180 members interviewed, 177 knew the grades of eggs used by the Association. Sixty-nine percent of the members thought the quality of their eggs had improved. They attributed their improvement in quality to the operators experience, careful handling of eggs, improvement in the feeding practices, more frequent gathering of eggs, better bred hens, storage of eggs at the proper temperature, more efficient grading, and good quality grits.

The members thought the limiting factors in quality improvement were the non-uniform candling practices, poor quality baby chicks, poor feeding practices, and the lack of egg storage facilities on the farm.

The general satisfaction of the members with the hauling of eggs and the delivery of feeds by the employees of the Association was expressed when 97 percent said the hauling of eggs and 100 percent thought the delivery of feeds were satisfactory. With few exceptions, members expressed their agreement with the time and method of payment used by the Association when 95 percent said the time of payment was to their liking, and 96 percent thought the method of payment was satisfactory. The reasons given by members for disagreeing with the time and method of payment are too much delay in payment, and non-approval of the revolving-fund program.

An indication of the satisfaction with the financial program is whether or not the members think the money they have invested in the Association is a good investment. The members were asked the question, "Do you feel that the money you have invested in the Association is a good investment?" The answers revealed that 171 members or 95 percent answered in the affirmative.

The members in general are well satisfied with the activities of the Association. They feel that the Association fulfills its part of the contract. They have received courteous treatment. Some members have had

an occasion to make a complaint and a large percent were satisfied with the requests they made for adjustments. The grading of eggs is satisfactory to most of the members and a general satisfaction was expressed by the members for the hauling of eggs and the delivery of feeds by the employees of the Association. The members approved of the time and method of payment used by the Association and the money they have invested in the Association was considered a good investment by most of the members.

Operating program:- Success in cooperative marketing is a combination of various factors such as a democratic organization, a satisfied and well-informed membership, and an efficient operating program. No amount of organization, membership contact or education is an adequate substitute for efficiency of operation. What members think and how they feel toward the accomplishments of the Association, the services provided, and the services they receive, give evidence of the efficiency of the operating program.

The members were ask a question concerning the accomplishments of the Association and information was obtained that 92 percent of the membership felt that the Association had been successful in accomplishing what they expected of it. A few members felt that better feeds could be purchased at less cost, more efficient employees could be hired for the same salary, and the handling of supplies could be improved.

The members were acquainted with the type of supplies made available to them. They listed poultry equipment, building supplies, household supplies, and dairy equipment as the most important groups of supplies they could purchase through the Association. The making of general farm supplies available is an important service provided by the Association to the members. They compare the prices and the quality of the items they can

purchase through the Association with the same supplies they can secure in the retail stores in their communities. The efficiency of the Association as a purchasing agent is an important consideration to them in addition to the ability of their organization to market their products successfully. The members were asked a question as to whether they thought the sale of general farm supplies by the Association should be enlarged, reduced, discontinued or remain the same. The information obtained revealed that the sale of these supplies is a receiving station problem. In the American Fork area all of the members interviewed said they would favor enlarging the sale of the supplies. In contrast, 38 percent of the Draper area members felt a reduction of all supplies except poultry equipment would be desirable while 19 percent expressed a desire to discontinue the sale of all supplies. The Riverton and Logan areas present a similar problem to the Draper area, but of lesser importance. (Refer to table 2.)

The difference in the feelings of the members toward the sale of farm supplies is understandable. In the headquarters buildings of the receiving stations areas, where the members favored the work being done by the Association to provide them with supplies, there were attractive displays of the available supplies, and the employees of the Association were proud to show the members the items they had to offer them. In comparison, other receiving stations had their supplies in a large pile in the back corner of the building. The members visiting the plant seldom looked at the available supplies, and employees who were working in the station complained about the Association being out of their field in trying to compete with the retail stores.

Prices offered for products are ordinarily used as a basis of determining where the producers will sell their products. The advantages of membership in a cooperative marketing organization are considered by a

Table 2. Percentage of Members giving Selected Answers to the Question  
Ask on the Sale of General Farm Supplies by the Association\*

Receiving station	enlarged**	reduced***	discontinued	Remain same	Total
	Percent	Percent	Percent	Percent	Percent
Midvale	58	5	5	32	100
Draper	12	38	19	31	100
Riverton	33	3	20	44	100
Logan	56	12	4	28	100
Richfield	82	0	0	18	100
Manti	80	7	0	13	100
American Fork	100	0	0	0	100
Spanish Fork	69	0	0	31	100
Payson	46	0	0	54	100
Average for the total	55	7	7	31	100

\* Answers to the question, "Do you think the sale of general farm supplies by the Association should be enlarged, reduced, discontinued, or remain the same? If enlarged, what additional supplies and equipment should be handled? If reduced, the sale of what commodities should be discontinued?"

\*\* Supplies suggested to be added: Farm equipment, hand tools, general farm supplies, automobile supplies, and additional household utensils.

\*\*\* Reduced to include only poultry equipment.

majority of the members before they change their marketing agency, but it is interesting to note what the members think in comparing the prices competitors pay for eggs with the Association. Thirteen percent of the members felt that competitors of the Association have paid higher prices for eggs than the Association. This observation is particularly true in the competitive area of Midvale, Draper, and Riverton. A majority of the members felt the prices paid for eggs by competitors and the Association were about the same. (Refer to table 3.)

Some questions were ask the members concerning the price and quality of feeds the Association furnished compared to their competitors. The intent of the questions was to determine what the members thought of the efficiency of the Association in mixing their own feeds and if they could do the work as economically as their competitors. Of the total, 62 percent of the members thought that the quality of feed furnished by the Association was the same as competitors, 20 percent said it was of higher quality, 11 percent believed it was of lower quality, and 7 percent of the members said they did not know. Their competitors have furnished feed at about the same price as the Association according to 54 percent of the membership while 32 percent thought competitors prices were higher, 12 percent believed the prices were lower, and 2 percent of the members said they did not know.

The Association has been successful in accomplishing what most members expected of it. Most of the departments of the Association have had an efficient operating program. A majority of the members felt that the prices paid for eggs by the Association were about the same as their competitors. The storage of eggs during the low price season was satisfactory to all of the 180 members interviewed. The difficulty of securing high quality feeds at what the members thought was a reasonable price was a problem officers of the Association explained to the members in their

Table 3 . Percentage of Members giving Selected Answers to the Question ask on Comparing Prices Paid for Eggs by Competitors and the Association\*

Receiving station	Prices Competitors have Paid			Did not know	Total
	Higher prices	Lower prices	Same prices		
	Percent	Percent	Percent	Percent	Percent
Midvale	25	7	66	2	100
Draper	19	0	81	0	100
Riverton	10	7	80	3	100
Logan	4	12	84	0	100
Richfield	9	9	72	9	100
Manti	13	13	61	13	100
American Fork	0	38	62	0	100
Spanish Fork	8	0	84	8	100
Payson	8	8	84	0	100
Average for the total	13	9	75	3	100

\* Answers to the question, "Have competitors consistently paid higher prices, lower prices, about the same prices, for eggs than the Association?"



official publication and at the regular meetings of the Association.

The relationship of the services provided by the veterinarian and field service man to the services the members receive is an indication of the type of work being done by these Association representatives. Questions were ask the members to find out if they knew the services were provided and if they had received these services. The information obtained indicated that the work of the Association's veterinarians is universally known and the services given the members in poultry disease control and advice on improving sanitary conditions received favorable comment from a majority of the members. (Refer to table 4.)

The work of the field service man is known by a small percent of the members, and the services members receive from the field representative is of minor importance even in the areas near the central office. A point to consider in determining the success of the work of the field service man is only one person serves the membership of the Association. The advisability of adopting the policy followed by many other cooperative marketing associations and most private industries of having a full-time field serviceman in the local area may be worth consideration. (Refer to table 5.)

An important consideration to the officers of the Association is whether or not the members desire other services or changes in the services already made available to them. A question was ask to obtain this information. Although a large percent of the membership desired no other services, 21 percent mentioned a full-time field service man in the local area, 14 percent said better trained veterinarians, and 12 percent thought additional fire insurance facilities should be made available to the members. (Refer to table 6.)

Table 4 . Percentage of Members Listing Specific Services Provided and Services Received from the Veterinarians of the Association\*

Service	:Midvale:	:Draper:	:River- :ton	: Logan	: Rich- :field	: Manti	: Am. : Fork	: Spanish: : Fork	: Payson	: Average : for the : total
<u>Services Provided:</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Poultry disease control	95	100	97	100	82	73	100	100	100	95
Advice on improvements of sanitary conditions	84	75	87	92	64	73	100	92	92	85
Grading live poultry	18	6	57	8	9	7	0	54	0	21
Culling flocks	25	6	50	12	27	13	8	62	8	25
Other	0	0	0	0	0	0	0	0	0	0
<u>Services Received:</u>										
Poultry disease control	86	56	87	84	45	27	85	69	69	73
Advice on improvements of sanitary conditions	73	19	50	64	45	33	77	23	15	51
Grading live poultry	11	6	20	0	18	0	0	8	0	8
Culling flocks	18	6	17	0	18	0	0	15	0	10
Other	0	0	0	0	0	0	0	0	0	0

\* Answers to the questions, "Which of the following services are provided by the Association's veterinarians? a. Poultry disease control. b. Advice on improvements of sanitary conditions. c. Grading live poultry. d. Culling flocks. e. Other." Which of the above mentioned services have you received?"

Table 5 . Percentage of Members listing Specific Services Provided and Services Received from the Field

Service Man\*

Service	:Midvale:	:Draper:	:River- ton:	:Logan:	:Rich- field:	:Manti:	:Am. Fork:	:Spanish: Fork:	:Payson:	:Average for the total
<u>Services Provided:</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
Aid with production problems and practices	45	44	37	44	45	40	15	31	77	42
Suggested methods of quality improvement of eggs	30	19	27	36	55	47	0	46	0	29
Assist in planning local meetings	2	0	13	4	9	0	0	8	0	4
Other**	2	0	0	0	0	0	0	0	0	1
<u>Services Received:</u>										
Aid with production problems and practices	34	12	10	0	9	20	0	31	8	16
Suggested methods of quality improvement of eggs	18	6	13	0	18	20	0	38	0	13
Assist in planning local meetings	2	0	0	0	9	0	0	8	0	2
Other	0	0	0	0	0	0	0	0	0	0

\* Answers to the questions, "What services are provided by the field service man? a. Aid with production problems and practices. b. Suggested methods for quality improvement of eggs. c. Assist in planning local meetings. d. Other. What services have you received?"

\*\* Contacted the producer and established friendly relationship.

Table 6 . Percentage of Members Listing Specific Additional Services They Desire that the Association does not Provide\*

Service	:Midvale:	:Draper:	:River- :ton	:Logan:	:Rich- :field	:Manti:	:American :Fork	:Spanish :Fork	:Payson:	:Average :for the :total
	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent	Percent
Full-time field service man in the local area	23	0	20	32	27	20	8	38	15	21
Better trained veterinarians	2	44	23	8	0	20	0	31	8	14
Additional life insurance facilities	5	0	10	0	9	0	0	0	31	6
Additional fire insurance facilities	9	12	20	0	18	7	0	8	38	12
Other **	5	6	3	0	0	0	8	8	0	3

\* Answers to the question, "What additional services would you desire? a. Full-time field service man in the local area. b. Better trained veterinarians. c. Additional life insurance facilities. d. Additional fire insurance facilities. e. Other."

\*\* Veterinarians to make visits without being called.

Management:- The control and management of the Association is under the direction of a board of nine directors. The director is a producer and is elected by the membership for a period of three years. The members understanding of the duties of the Board of Directors, their feelings toward the capability and qualification of their leaders, and what they think the management has accomplished or the mistakes they have made are important relationships between the members and the management.

The members thought formulating operating policies and making budgets, approving contracts, loans, and borrowings were the most important duties of the Board of Directors. Keeping the members informed and employing a competent manager were other significant duties mentioned by the membership. The number and percentage of members who mentioned specific duties of the Board of Directors are as follows: 17/

1. 128 members or 71 percent said the formulation of operating policies.
2. 101 members or 56 percent mentioned the making of budgets, approving of contracts, loans and borrowings.
3. 71 members or 39 percent said keeping members informed.
4. 68 members or 38 percent mentioned employing a competent manager.
5. 64 members or 36 percent mentioned taking responsibility for the results of the policies of the Association.
6. 55 members or 31 percent said the creation of confidence in the organization among members.

The membership understood the duties of the Board of Directors as is indicated in the variety and completeness of their answers. The emphasis placed on the formulation of operating policies is evidence of an

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17/ An average of 2.7 duties was mentioned by each member.

informed membership on one of the most important duties of the Board of Directors.

Questions were ask the members concerning the Board of Directors representing the interest of the members and the capability and qualification of the management. The information obtained revealed that there was a favorable relationship between the members and the management. A total of 163 members or 90 percent felt that the Board of Directors represented the interests of the members. A small percent of the membership said they thought some of the directors had been in office too many terms. The management of both the local receiving station and the central Association were considered capable and qualified for the work they were doing by 94 percent of the members. (Refer to table 7.)

Individuals ask for advice and usually follow the suggestions of persons in whom they have confidence. Questions were ask the membership concerning the discussion of their marketing and production problems with the management of the Association. Answers to the questions revealed that approximately half of the members have discussed their problems with the local station managers within the last year compared to 22 percent who have over their difficulties with the local director and 13 percent of the members who mentioned their problems to the general manager or assistant general manager of the Association. During the 4 year period of 1942 to 1945 inclusive, fewer members visited with the local plant managers, but approximately the same number discussed their problems with the local director and the general manager of the Association or his assistant.

The members were ask questions concerning the accomplishments and mistakes made by the management of the central Association. The Association is a centralized type of cooperative organization and its activities are directed from the central office. Those responsible for the management of the central Association include the Board of Directors,

Table 7 . Percentage of Members who Expressed a Favorable Relationship Toward Capability and Qualification of the Management. Local and Central.

Question	:Midvale:	:Draper:	:River- ton:	:Logan:	:Rich- field:	:Manti:	:American Fork:	:Spanish Fork:	:Payson:	:Average for the total
Percentage of members who answered "yes" to the question,	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>	<u>Percent</u>
"Do you think the management is capable and well-qualified for the work they are doing?"										
Local	91	94	90	96	100	93	100	92	100	94
Central	89	94	97	100	100	87	92	100	100	94

the general manager, and his assistant.

An indication of the efficiency of the management can be obtained from expressions of the members in their listing of the development of a market, good will development among members, and the supervision of mixing good feeds as outstanding accomplishments of the central management. The number and percentage of members mentioning specific accomplishments of the management of the central Association are listed as follows:

1. 117 members or 65 percent thought the development of a market.
2. 73 members or 40 percent mentioned the development of good will among members.
3. 66 members or 37 percent said the supervision of the mixing of good feeds.
4. Other accomplishments were better prices for poultry products, the development of a quality product, and a saving on freight rates.

The management has been successful in making several important accomplishments. Approximately two-thirds of the membership thought the development of a market for poultry products was the outstanding accomplishment made by the management. As the amount of business done by the Association increased, new outlets for poultry products have been found. The officers of the Association have taken advantage of the rapidly increasing demand for poultry products on the west coast, and they have sales representatives in both San Francisco and Los Angeles to handle all marketing activities of the Association.

The development of good will between the members and the Association was recognized by 40 percent of the members as an outstanding accomplishment. The management evidently realize the importance of good membership relations, and they have made an effort to keep the members informed and satisfied.



In contrast to the accomplishments, the membership thought the most serious mistakes the management had made were over-expansion and favoritism. The members mentioning over-expansion said that the Association should limit its activities to a marketing agency. They felt that the purchasing of supplies and feeds was a function of other cooperative purchasing associations or private agencies. According to a few members, favoritism was shown by the management in hiring relatives to work for the Association and giving them increases in salaries in preference to others who had been employed by the Association for a longer period of time. The number and percentage of members mentioning specific mistakes made by the management of the central Association are as follows:

1. 30 members or 17 percent said over-expansion.
2. 29 members or 16 percent mentioned favoritism.
3. 26 members or 14 percent said the hiring of employees.
4. 23 members or 13 percent mentioned the purchase of feeds.
5. 20 members or 11 percent mentioned the purchase of supplies.

Although a relatively small percent of the members mentioned specific mistakes, they are worth consideration by the officers of the Association. Over-expansion may have a different meaning to different members. Members did mention that they thought the Association should limit its activities to marketing rather than trying to act as a purchasing agent too. If employing relatives and promoting them rapidly in the organization is being done by the management, misunderstandings among the members would develop.

Summary and Conclusions

With the development of the poultry industry in Utah since 1920, came the need for a suitable farmers' egg-marketing agency. The Utah Poultry and Farmers' Cooperative had its origin in 1922 as a local, privately owned marketing agency handling eggs on a commission basis. In 1923, it was incorporated as a centralized cooperative association on a state-wide basis. Membership in the Association is confined to producers who sign the egg-marketing contract or who purchase \$200 worth of feed and supplies. The management is in the hands of a board of nine directors, and one is elected from each of nine directorial districts.

The growth of cooperative marketing resulted in a membership relations problem. The members are not interested, primarily, in the details or technical phases of operation of their organization, but they are concerned with the fundamental principles on which the cooperative is founded and how the cooperative serves them.

A cooperative, then, cannot be said to have truly succeeded when it has merely attained a volume of business sufficient to make a creditable showing, unless its members have developed a feeling of ownership and responsibility. Without such a feeling, some of the members are likely to look upon the cooperative as just another buyer of farm products or seller of supplies and services. As part-owner of the business, the member should be well-informed about the organization of the Association as well as concerned with the operating policies and plans for the future. It should be the aim of any cooperative association to develop a successful technique of united group action and the methods of membership contact such as are necessary for healthy growth and permanent success.

The principle methods used by the Association to keep the members informed are the "Utah Poultry Cooperator", publications in newspapers and magazines, meetings, directors contact with the members, circular letters, and well-informed employees.

The services made available to the members by the Association include the service provided by the field service man, the service of the veterinarian, the service of making feeds and supplies available to the membership, the hauling of eggs and the distribution of feeds, and the purchasing of baby chicks.

The analysis of the 180 recorded interviews made with the members of the Association revealed that the most important relationships between the members and the Association are a democratic organization, the support of the members, an informed membership, a satisfied membership, an efficient operating program, and a capable management. The status of membership relations was found to be good. The membership relations program of the Association has been successful, and it is generally agreed among members that the Utah Poultry and Farmers' Cooperative has been an important factor in making poultry production the leading agricultural enterprise in Utah.

Democratic organization and control is an essential relationship between the members and the Association for successful cooperation. Most of the members felt they had sufficient voice in the management activities of the Association and a majority had voted for the director at one time or another since they became a member. The policy followed by the Association of electing a president and three directors every year provides the membership with opportunities to hold positions in the organization.

The members generally are satisfied with and well-informed about the provisions of the contract, but only a small percent know of the duration of their agreement with the Association.

The important reasons members gave for joining the Association are to provide a market for their products, a belief in cooperative organizations, and expectation of better prices. The reasons given by members why others who had been members had quit were better prices elsewhere and the grading of eggs was not satisfactory.

The outstanding benefits members felt they received by being members of the Association were the Association provided an adequate source of feeds and supplies, a market for eggs, a better market for live poultry and better service in the hauling and the grading of eggs. The benefits members thought they enjoyed that non-members did not were a preference when feed was scarce, the voting privilege, a share in the refunds and profits of the Association, sure of a market for their products and a voice in management. The benefits members thought non-members enjoyed by doing business with the Association were they received same price for eggs as the member, feeds were supplied, surplus eggs were removed from the local market, a market was provided for poultry products, the veterinarian service was provided, and the service of hauling eggs was made available to non-members.

The general thinking of the membership is that the Association has created a better market for their products. The members believe that if the Association went out of business they would receive lower prices, another marketing agency would provide the service or they would lose the market completely.

The stability of any cooperative Association is dependent on the support of the members. The members apparently realize their

responsibilities to the Association. They thought their most important responsibilities were the delivery of their poultry products to the Association, loyal membership by supporting the policies of the Association, and the buying of feeds from the Association.

As evidence of their loyalty, 135 members had been solicited to sell their poultry products to other Associations and only 5 members had marketed their products with other organizations.

The meetings of the Association were well attended and the attendance at the annual meetings will improve since the aim of the officers of the Association is to give more members the opportunity to attend annual meetings. In 1947, they adopted the policy of holding the annual convention in three areas rather than just one meeting which was previously held in Salt Lake City each year.

Streamlining meetings with greater use of motion pictures and other forms of graphic demonstration would promote the interest of all who are concerned about their Association.

Even though a majority of the membership felt they were sufficiently informed about both the local and central Association, they would support the activities more if they were better informed about the contract they have signed and the activities of the Board of Directors. The name of the officers of the Association were generally well known to the members. The members were not very well informed about the financial standing of the Association, but they did say the information had been made available. A few members did not desire information on the financial position of the Association.

The members were well informed about the certificate of interest representing their investment in the Association and the deduction made per dozen eggs to finance the revolving fund.

The principle sources of information to the membership about the Association were the "Utah Poultry Cooperator", circular letters, meetings, and employees of the Association. The radio is used very little by the Association to keep members informed. No essay contests have been conducted, few motion pictures have been used and a limited number of educational tours to successful farms have been arranged in local areas.

Attractive displays or charts could be used effectively in local receiving stations in place of broken misplaced signs or giving information on a blackboard of the date of the annual meeting which already had been held a month previous.

The members in general are well satisfied with the activities of the Association. They feel that the Association fulfills its part of the contract. They have received courteous treatment. Some members have had an occasion to make a complaint and a large percent were satisfied with the requests they made for adjustments. The grading of eggs is satisfactory to most of the members and a general satisfaction was expressed by the members for the hauling of eggs and the delivery of feeds by the employees of the Association. The members approved of the time and method of payment used by the Association, and the money they have invested in the Association was considered a good investment by most of the members.

The Association has been successful in accomplishing what most members expected of it. Most of the departments have had an efficient operating program. A majority of the membership felt that the prices paid for eggs by the Association were about the same as their competitors. The storage of eggs during the low price season was satisfactory to all of the 180 members interviewed.

The work of the Association's veterinarian is universally known, and the services given the members in poultry disease control and advice on improving sanitary conditions received favorable comment from a majority of the members. The service provided by the field service man is known by a small percent of the members, and the services the members receive are of minor importance even in the areas near the central office.

Although a majority of the membership desired no other services, the members who thought they should have additional services or changes in the services already made available to them believed a full-time field service man in the local area, better trained veterinarians, and additional fire insurance facilities would be desirable.

The membership understood the duties of the Board of Directors. They thought formulating operating policies and making budgets, approving contracts, loans and borrowings were the most important duties of the board. The members felt the Board of Directors represented their interests, and the management of both the local receiving station and the central Association were capable and qualified for the work they are doing.

The outstanding accomplishments of the management were the development of a market, the development of good will among members, and the supervision of the mixing of good feeds according to the members. Although comparatively few mistakes were made, members thought over-expansion and favoritism were the most serious.

The status of membership relations was found to be good, and the members in general are well-informed about their Association. There are a few problems in specific receiving station areas which can be solved with the cooperative effort of the officers and the members of the Association.

WESTERN BOND

APPENDIX

READ CONTENT



UTAH AGRICULTURAL EXPERIMENT STATION

1922

DEPARTMENT OF AGRICULTURAL ECONOMICS

POULTRY PRODUCERS COOPERATIVE ASSOCIATION  
MEMBER QUESTIONNAIRE

Name \_\_\_\_\_

P. O. Address \_\_\_\_\_ County \_\_\_\_\_ Town \_\_\_\_\_

1. When did you join the Association? Year \_\_\_\_\_
2. Why did you join?
- a. \_\_\_\_\_ Provide a market for my products.
  - b. \_\_\_\_\_ Recommended by a person whose opinion I respect.
  - c. \_\_\_\_\_ Belief in a cooperative organization.
  - d. \_\_\_\_\_ Expectation of better prices.
  - e. \_\_\_\_\_ No other satisfactory market available.
  - f. \_\_\_\_\_ Other.
3. Has the Association accomplished what you expected of it? Yes \_\_\_\_\_ No \_\_\_\_\_
4. What benefits have you received by being a member?
- a. \_\_\_\_\_ Adequate source of supplies and feeds.
  - b. \_\_\_\_\_ Better market for live poultry.
  - c. \_\_\_\_\_ Provides a market for eggs.
  - d. \_\_\_\_\_ Better service in hauling and grading of eggs.
  - e. \_\_\_\_\_ Higher prices for eggs.
  - f. \_\_\_\_\_ Other.
5. What benefits or advantages do you enjoy that non-members do not?
- a. \_\_\_\_\_ Voting privilege.
  - b. \_\_\_\_\_ Voice in management.
  - c. \_\_\_\_\_ Given preference when feed was scarce.
  - d. \_\_\_\_\_ Sure of a market for products.
  - e. \_\_\_\_\_ Share refunds and profits of the Association.
  - f. \_\_\_\_\_ Higher prices.
  - g. \_\_\_\_\_ Other.
6. How has the Association benefited non-members?
- a. \_\_\_\_\_ Received same price as the member. \_\_\_\_\_ Received higher prices.
  - b. \_\_\_\_\_ Market for poultry products.
  - c. \_\_\_\_\_ Supplied feeds.
  - d. \_\_\_\_\_ Veterinarian service.
  - e. \_\_\_\_\_ Hauled eggs.
  - f. \_\_\_\_\_ Removed surplus eggs from local market.
  - g. \_\_\_\_\_ Other.
7. Have you ever been a member of any other poultry or egg marketing association?  
Yes \_\_\_\_\_ No \_\_\_\_\_ If so, when? \_\_\_\_\_

8. Do you know of any poultry producers who have quit the Association? Yes \_\_\_\_\_  
 No \_\_\_\_\_ What reasons were given for leaving the Association?
- a. \_\_\_\_\_ Better prices elsewhere.
  - b. \_\_\_\_\_ Grading of live poultry not satisfactory.
  - c. \_\_\_\_\_ Grading of eggs not satisfactory.
  - d. \_\_\_\_\_ Feeds too expensive.
  - e. \_\_\_\_\_ Hauling of eggs, feeds, and supplies not satisfactory.
  - f. \_\_\_\_\_ Disagreement with the management.
  - g. \_\_\_\_\_ No reason given.
  - h. \_\_\_\_\_ Other.

9. Have you signed an egg-marketing contract with the Association? Yes \_\_\_\_\_ No \_\_\_\_\_

10. What is the duration of the contract? 1 year \_\_\_\_\_ 2 years \_\_\_\_\_ 5 years \_\_\_\_\_  
 Indefinite period \_\_\_\_\_

11. Do you have any objections to provisions of the contract? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If so, what are they? \_\_\_\_\_

12. Does the contract provide for a withdrawal from the Association? Yes \_\_\_\_\_ No \_\_\_\_\_

13. Do you think the Association fulfills its part of the contract? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If not, in what respect? \_\_\_\_\_

14. Have you read the by-laws of the Association? Yes \_\_\_\_\_ No \_\_\_\_\_

15. Do you feel that members have sufficient voice in management? Yes \_\_\_\_\_ No \_\_\_\_\_  
 In what management activities have you participated?

- a. \_\_\_\_\_ Voting for directors.
- b. \_\_\_\_\_ Given suggestions to the local director to be presented at the meeting of the Board of Directors.
- c. \_\_\_\_\_ Personal visits with the local plant manager.
- d. \_\_\_\_\_ Forming policies.
- e. \_\_\_\_\_ Other.

16. Do you think the management is capable, well qualified for the work they are doing?

Local Association: Yes \_\_\_\_\_ No \_\_\_\_\_  
 Central Association: Yes \_\_\_\_\_ No \_\_\_\_\_

17. What mistakes have the management made?	<u>Local</u>	<u>Central</u>
a. Storage of eggs.	_____	_____
b. Purchase of feeds.	_____	_____
c. Hiring candlers and other employees.	_____	_____
d. Purchase of supplies.	_____	_____
e. Over expansion.	_____	_____
f. Favoritism.	_____	_____
g. Other.	_____	_____

18. What are the outstanding accomplishments of the management?

	<u>Local</u>	<u>Central</u>
a. Freight rate saving.	_____	_____
b. Loans available.	_____	_____
c. Mixed good feeds.	_____	_____
d. Developed quality products.	_____	_____
e. Developed the market.	_____	_____
f. Good will developed.	_____	_____
g. Better price.	_____	_____
h. Other.	_____	_____

19. Have you ever discussed your marketing or production problems with:

	<u>Within last year</u>	<u>1-5 years</u>
The local station management?	_____	_____
The local director?	_____	_____
The manager or assistant of the central Association?	_____	_____

20. Have you received courteous treatments in your dealings with the local Association representatives? Yes \_\_\_\_\_ No \_\_\_\_\_

21. Have you ever had an occasion to make a complaint to the Association?

Yes \_\_\_\_\_ No \_\_\_\_\_ Did you ever request an adjustment? Yes \_\_\_\_\_ No \_\_\_\_\_  
If so, what was involved? \_\_\_\_\_

Were you satisfied with the results of your request? Yes \_\_\_\_\_ No \_\_\_\_\_  
If not, why? \_\_\_\_\_

22. As a member, what are your responsibilities to the Association?

- a. \_\_\_\_\_ Loyal membership by supporting the policies of the Association.
- b. \_\_\_\_\_ Exercise voting privilege.
- c. \_\_\_\_\_ Attend meetings.
- d. \_\_\_\_\_ Solicit members.
- e. \_\_\_\_\_ Deliver poultry products to the Association.
- f. \_\_\_\_\_ Buy feeds from the Association.
- g. \_\_\_\_\_ Other.

23. Do you know the salary of the general manager? Yes \_\_\_\_\_ No \_\_\_\_\_ Local plant manager? Yes \_\_\_\_\_ No \_\_\_\_\_

24. What is the basis of compensation for directors?

- a. \_\_\_\_\_ Service without pay.
- b. \_\_\_\_\_ Salary.
- c. \_\_\_\_\_ Per diem.
- d. \_\_\_\_\_ Percent of gross profits.

25. Which of the following figures approximate the Association's indebtedness?

\$50,000 \_\_\_\_\_ \$1,000,000 \_\_\_\_\_ \$2,000,000 \_\_\_\_\_ \$5,000,000 \_\_\_\_\_

26. Which of the following figures approximate the Association's net worth?

\$50,000 \_\_\_\_\_ \$1,000,000 \_\_\_\_\_ \$2,000,000 \_\_\_\_\_ \$5,000,000 \_\_\_\_\_

27. Has the information on indebtedness and net worth of the Association been made available to members? Yes \_\_\_\_\_ No \_\_\_\_\_

28. Should information on indebtedness and financial status of the Association be made available to members at meetings and in the "Utah Poultry Cooperator"?  
Yes \_\_\_\_\_ No \_\_\_\_\_
29. How many members are there on the Board of Directors of the Utah Poultry Producers Association?
- a. \_\_\_\_\_ 3.
  - b. \_\_\_\_\_ 5.
  - c. \_\_\_\_\_ 7.
  - d. \_\_\_\_\_ 9.
  - e. \_\_\_\_\_ 10.
  - f. \_\_\_\_\_ 15.
30. Name the president of the central Association: \_\_\_\_\_  
Name the local director: \_\_\_\_\_
31. Name the general manager: \_\_\_\_\_  
Name the assistant general manager of the central Association: \_\_\_\_\_  
Name the local plant manager: \_\_\_\_\_
32. Do you feel that you are sufficiently informed about the operations of the Association? Local Association: Yes \_\_\_\_\_ No \_\_\_\_\_  
Central Association: Yes \_\_\_\_\_ No \_\_\_\_\_
33. Do you receive the "Utah Poultry Cooperator"? Yes \_\_\_\_\_ No \_\_\_\_\_
34. What parts of the "Utah Poultry Cooperator" do you read?
- a. \_\_\_\_\_ Farm supply division.
  - b. \_\_\_\_\_ News from Washington.
  - c. \_\_\_\_\_ Managers personal page.
  - d. \_\_\_\_\_ Advertisements.
  - e. \_\_\_\_\_ The Question Box.
  - f. \_\_\_\_\_ Know your Association.
  - g. \_\_\_\_\_ Editorials written on disease control.
  - h. \_\_\_\_\_ Other.
35. What other information do you receive from the central Association?
- a. \_\_\_\_\_ Price and market information.
  - b. \_\_\_\_\_ Production suggestions.
  - c. \_\_\_\_\_ Disease control information.
  - d. \_\_\_\_\_ Supplies available.
  - e. \_\_\_\_\_ Other.
36. From what source do you get most of your information about the Association?
- a. \_\_\_\_\_ Neighbors.
  - b. \_\_\_\_\_ Hauler of eggs, feed, and supplies.
  - c. \_\_\_\_\_ Utah Poultry Cooperator.
  - d. \_\_\_\_\_ Circular letters.
  - e. \_\_\_\_\_ Meetings.
  - f. \_\_\_\_\_ Other.
37. What other information concerning your Association would you desire?  
\_\_\_\_\_

38. Which of the following methods do you think should be used more extensively to keep the members better informed?

- a.  Radio programs.
- b.  Meetings.
- c.  Circular letters.
- d.  Newspapers.
- e.  Better qualified haulers of feeds and eggs.
- f.  Additional contact with the field service man.
- g.  Other.

39. What services are provided by the field service man?

- a.  Aid with production problems and practices.
- b.  Suggested methods for quality improvement of eggs.
- c.  Assist in planning local meetings.
- d.  Other.

40. What services have you received?

- a.  Aid with production problems and practices.
- b.  Suggested methods for quality improvement of eggs.
- c.  Assist in planning local meetings.
- d.  Other.

41. Which of the following services are provided by the Association's veterinarian?

- a.  Poultry disease control.
- b.  Advice on improvements of sanitary conditions.
- c.  Grading live poultry.
- d.  Culling flocks.
- e.  Other.

42. Which of the following services have you received?

- a.  Poultry disease control.
- b.  Advice on improvements of sanitary conditions.
- c.  Grading live poultry.
- d.  Culling flocks.
- e.  Other.

43. What additional services would you desire?

- a.  Full-time field service man in the local area.
- b.  Better trained veterinarians.
- c.  Additional life insurance facilities.
- d.  Additional fire insurance facilities.
- e.  Other.

44. How many times have you voted for the local director since you became a member? \_\_\_\_\_ times What percent of the years have you voted? \_\_\_\_\_%

45. How is the Board of Directors elected? \_\_\_\_\_  
For how many years? \_\_\_\_\_ years

46. What are the duties of the Board of Directors?

- a.  To formulate operating policies.
- b.  To take responsibility for the results of the policies.
- c.  To employ a competent manager.
- d.  To create confidence in the organization among members.
- e.  To make budgets, approve contracts, loans, and borrowings.
- f.  To keep members informed.
- g.  Other.

47. Do you feel that the Board of Directors represents the interests of the members?  
Yes  No

48. How many times have you attended the annual meeting? \_\_\_\_\_ times  
What percent of the annual meetings have you attended? \_\_\_\_\_ %

49. Do you attend local Association meetings? Yes  No   
What percent of the local meetings have you attended? \_\_\_\_\_ %

50. What position or positions do you hold or have you held in the Association?

- a.  Director.
- b.  President of local.
- c.  Secretary of local.
- d.  Committee work.
- e.  Other.

51. What percent of the following feeds do you purchase from the Association?

Scratch \_\_\_\_\_ % Mash \_\_\_\_\_ % Grits \_\_\_\_\_ %

What percent do you purchase from private dealers?

Scratch \_\_\_\_\_ % Mash \_\_\_\_\_ % Grits \_\_\_\_\_ %

What percent do you purchase from other cooperative association?

Scratch \_\_\_\_\_ % Mash \_\_\_\_\_ % Grits \_\_\_\_\_ %

52. How does the quality of the feeds purchased from the Association compare with feeds purchased from other sources? Higher quality \_\_\_\_\_ Lower quality \_\_\_\_\_  
About the same \_\_\_\_\_

53. Have competitors furnished feed at a lower cost \_\_\_\_\_? Higher cost \_\_\_\_\_?  
Or the same cost \_\_\_\_\_ as the Association?

54. What percent of your eggs is sold through the Association? \_\_\_\_\_ %

55. What supplies other than feed are made available to you by the Association?

- a.  Building supplies.
- b.  Poultry equipment.
- c.  Dairy equipment.
- d.  Household supplies.
- e.  Other.

56. Do you think the sale of general farm supplies by the Association should be enlarged \_\_\_\_\_ reduced \_\_\_\_\_ discontinued \_\_\_\_\_ remain the same \_\_\_\_\_?

If enlarged, what additional supplies and equipment should be handled? \_\_\_\_\_

If reduced, the sale of what commodities should be discontinued? \_\_\_\_\_

57. How are your eggs delivered to the receiving station?

- a.  Producer delivers eggs.
- b.  Association hauling.
- c.  Other.

58. Is the Association's hauling of eggs satisfactory? Yes  No   
 Is the Association's delivery of feeds satisfactory? Yes  No

59. Do you approve of the storage of eggs by the Association during the low price season? Yes  No  What are your objections?

- a.  Too much risk involved.
- b.  Delayed returns on products marketed.
- c.  Possible lower prices.
- d.  Other.

60. Which of the two systems of grades is followed by the Association on grading your eggs.

Group I:

Group II:

- a. Mountaineers
- b. Pullets
- c. Plain large
- d. Extras
- e. Selects

- a. Large
- b. Medium
- c. Small
- d. Fancies
- e. Other

61. Was the Association's grading of your eggs satisfactory the year you became a member? Yes  No  Was the Association's grading of your eggs satisfactory in 1946? Yes  No

62. *Has the quality of your eggs improved? Yes  No*   
 63. To what do you attribute the improvement in quality?

- a.  Improved feeding practices.
- b.  Operators experience.
- c.  Frequent gathering of eggs.
- d.  Storage at the proper temperature.
- e.  Careful handling.
- f.  Improved breeding of hens.
- g.  Other.

64. If quality has not improved, what are the limiting factors?

- a.  Poor feeding practices.
- b.  No storage facilities.
- c.  Poor baby chicks.
- d.  Other.

65. What percent of your eggs is graded in the top grade?  %

66. What was your production per hen the year you became a member?   
 What was your 1946 production per hen?

67. What was the size of your laying flock on January 1, of the following years?  
 1947  1946  1945  1944  1943  Pre-war

68. How many acres of land do you have in your farm? \_\_\_\_\_ In crops \_\_\_\_\_  
 Number: Dairy cows? \_\_\_\_\_ Other dairy cattle? \_\_\_\_\_ Beef cattle \_\_\_\_\_  
 Turkeys? \_\_\_\_\_ Hogs? \_\_\_\_\_ Sheep? \_\_\_\_\_
69. What percent of your net income was from the poultry enterprise? \_\_\_\_\_ %  
 What percent was from non-farm sources? \_\_\_\_\_ %
70. What percent of the poultry work is done by operator? \_\_\_\_\_ % Family help?  
 \_\_\_\_\_ % Hired labor? \_\_\_\_\_ %
71. What proportion of the Utah commercial egg production does the Association  
 handle? 20% \_\_\_\_\_ 30% \_\_\_\_\_ 40% \_\_\_\_\_ 50% \_\_\_\_\_ 60% \_\_\_\_\_ 70% \_\_\_\_\_ 80% \_\_\_\_\_
72. Do you believe that the Association could get better prices if it controlled  
 a larger portion of the Utah egg production? Yes \_\_\_\_\_ No \_\_\_\_\_
73. Give the relative importance of the following egg-marketing areas through which  
 the Association markets its eggs?
- |            |                |                |
|------------|----------------|----------------|
|            | <u>Present</u> | <u>Pre-war</u> |
| Local      | _____          | _____          |
| Eastern    | _____          | _____          |
| West coast | _____          | _____          |
74. Have competitors consistently paid higher prices \_\_\_\_\_? Lower prices \_\_\_\_\_?  
 About the same prices \_\_\_\_\_ for eggs than the Association?
75. What companies or agencies give the Association the most competition in your  
 area?
- a. \_\_\_\_\_ Draper.  
 b. \_\_\_\_\_ Nye Messen.  
 c. \_\_\_\_\_ Brookfield.  
 d. \_\_\_\_\_ Deserets.
76. Is the time of payment used by the Association satisfactory? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If not, why? \_\_\_\_\_  
 Is the method of payment used by the Association satisfactory? Yes \_\_\_\_\_ No \_\_\_\_\_  
 If not, why? \_\_\_\_\_
77. Have you been solicited to sell outside the Association? Yes \_\_\_\_\_ No \_\_\_\_\_
78. Were you solicited to sell outside the Association within last year \_\_\_\_\_?  
 3 years \_\_\_\_\_? 5 years \_\_\_\_\_?
79. How much above Association prices would a competitor have to pay for you to sell  
 your eggs to him? 1 cent \_\_\_\_\_ 2 cents \_\_\_\_\_ 3 cents \_\_\_\_\_ 5 cents \_\_\_\_\_  
 Name the price \_\_\_\_\_ cents
80. Do you think all poultry producers should be members of the Association?  
 Yes \_\_\_\_\_ No \_\_\_\_\_
81. How much money do you have invested in the Association? \$ \_\_\_\_\_ Do not know \_\_\_\_\_
82. Do you feel it is a good investment? Yes \_\_\_\_\_ No \_\_\_\_\_
83. What does the Association issue to you to represent your investment in the Ass'n.?  
 a. \_\_\_\_\_ Capital stock.  
 b. \_\_\_\_\_ Patronage refund.  
 c. \_\_\_\_\_ Certificate of interest.  
 d. \_\_\_\_\_ Other.



84. What amount of deduction is made per dozen eggs to finance the revolving fund program of the Association? 1 cent \_\_\_\_\_ 2 cents \_\_\_\_\_ 3 cents \_\_\_\_\_ 5 cents \_\_\_\_\_
85. What do you think would be the result if the Association should go out of business?
- a. \_\_\_\_\_ Lower prices.
  - b. \_\_\_\_\_ Other marketing agencies would provide the marketing service.
  - c. \_\_\_\_\_ Loss of market completely.
  - d. \_\_\_\_\_ Other.
86. Do you grow sugar beets? Yes \_\_\_\_\_ No \_\_\_\_\_  
Are you a member of the sugar beet growers association? Yes \_\_\_\_\_ No \_\_\_\_\_
87. Do you grow peas? Yes \_\_\_\_\_ No \_\_\_\_\_  
Are you a member of the canning crops association? Yes \_\_\_\_\_ No \_\_\_\_\_
88. Do you grow fruits and vegetables? Yes \_\_\_\_\_ No \_\_\_\_\_  
Are you a member of the fruit and vegetable growers association? Yes \_\_\_\_\_ No \_\_\_\_\_
89. Do you sell milk? Yes \_\_\_\_\_ No \_\_\_\_\_  
Are you a member of the dairy cooperative? Yes \_\_\_\_\_ No \_\_\_\_\_
90. Are you a member of any other cooperative association? Yes \_\_\_\_\_ No \_\_\_\_\_
91. To what other farm organizations do you belong?
- a. \_\_\_\_\_ Farm Bureau.
  - b. \_\_\_\_\_ Production Credit Association.
  - c. \_\_\_\_\_ Utah Cooperative Association.
  - d. \_\_\_\_\_ Other.
92. Should cooperative associations be exempt from federal income taxes?  
Yes \_\_\_\_\_ No \_\_\_\_\_ Give reasons for your answer: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
93. Do you know what the National Tax Equality Association is? Yes \_\_\_\_\_ No \_\_\_\_\_  
What is its purpose? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
94. Have you heard the Tax Equality Association's program discussed? Yes \_\_\_\_\_  
No \_\_\_\_\_ If so, by whom? \_\_\_\_\_

Age of operator \_\_\_\_\_

Education:

Location of receiving station \_\_\_\_\_

Attended grade school \_\_\_\_\_

Graduate from grade school \_\_\_\_\_

Miles from farm to station \_\_\_\_\_

Attended high school \_\_\_\_\_

Graduate from high school \_\_\_\_\_

Owner or tenant of farm \_\_\_\_\_

Attend college \_\_\_\_\_

Graduate from college \_\_\_\_\_

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