

**Co-ops:
What Farmers Think!**

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UNIVERSITY OF CALIFORNIA

1994

ISBN: 1-885641-08-7

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TECHNICAL EDITING & CONSULTATION: YVES ORIOL

THE RESEARCH LEADING TO THIS REPORT WAS FINANCED BY THE
CENTER FOR COOPERATIVES AT THE UNIVERSITY OF CALIFORNIA

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Table of Contents

Table of Figures iv
Executive Summary..... 1
Introduction..... 2
The Survey..... 11
Cooperative Principles..... 12
Cooperatives' Performance and Priorities..... 21
Survey Methodology..... 35
Participating Cooperatives..... 39
Principles of Cooperation..... 44
Conclusion..... 47
Appendix: Summary of Survey Responses..... 49



Table of figures

Figure 1. Distribution of Farms by Size.....	4
Figure 2. Number of Different Crops Produced by Respondents	5
Figure 3. Membership in More Than One Cooperative.....	6
Figure 4. Years of Membership.....	7
Figure 5. Years Engaged in Farming	8
Figure 6. Age of Respondents	9
Figure 7. Level of Education.....	10
Figure 8. Question 11A through 11F.....	13
Figure 9. Questions 12 through 28.....	14
Figure 10. Questions 29 through 41.....	16
Figure 11. Questions 42 through 49.....	17
Figure 12. Questions 50 and 51.....	22
Figure 13. Questions 52 and 53.....	23
Figure 14. Questions 54 and 55.....	25
Figure 15. Questions 56 through 65.....	27
Figure 16. Questions 66 and 67.....	29
Figure 17. Question 68A through H.....	30
Figure 18. Question 69A through J.....	32
Figure 19. Questions 70 and 71.....	33



Executive Summary

Cooperatives are competing with world class organizations for both markets and producers. Since producer-members are the backbone of cooperatives, it is imperative that they understand and have knowledge of operations, policies, decisions, and future directions. A survey was taken of producers' attitudes and expectations about cooperatives as they compete in a rapidly changing environment. This survey was enlightening about producers' attitudes and support for traditional operating principles.

While cooperative members generally were supportive of their respective organizations, their attitudes about goals, directions, and priorities were troubling. Even more disturbing was their lack of support for the basic cooperative principles underlying cooperative structure and operations, which provide the underpinning for cooperatives. Members were more intent on protecting a "home" for

their product and shielding themselves from regulation than on looking into the future and making the necessary investments in developing their cooperative to compete in an increasing international marketplace.

In particular, their lack of strong support for the user-finance principle poses a significant challenge for cooperative management and boards. Increasingly, cooperatives will require more capital, for upgrading both operations and marketing programs, in order to compete. Lack of understanding of how this capital can result in enhanced profits and returns as well as protecting producers' homes for their products could jeopardize producers' long-run viability. A significant challenge to cooperatives will be to educate both members and nonmembers about the need to be flexible in a changing competitive environment and the responsibilities of members to provide the necessary support.



Introduction

Cooperatives have played an important role in the development of California agriculture. They were organized to provide marketing power and production economies in their raw product processing activities. Cooperatives have also engaged extensively in educational and informational activities to the benefit of all producers, not only their members. In many respects, however, cooperatives are similar to other forms of business.

In order to survive, firms in the food and fiber industry, including cooperatives, need a global vision regarding production and marketing planning. These firms have to develop a flexibility that will enable them to adjust and adapt to changing economic, political, and market conditions. Many firms and industries are turning to political solutions to maintain or secure a competitive edge over foreign producers.

Recent changes in the global competitive environment have been coupled with a significant transformation in the structure of the food and fiber industry. Since the late 1940s, the number of food processing companies in the United States has been steadily declining, with the survivors becoming larger in size. These

larger companies are usually multinational and global in their outlook. They look to market requirements first, and then source their inputs according to quantity, quality, price, and market delivery specifications. In addition, they develop and have access to market information that is not available publicly.

The changing structure of the food and fiber industry poses a significant challenge for cooperatives. Cooperatives need to adopt strategies and programs that meet their competition in the marketplace, which may mean a significant change in their business practices. In adopting these new ways, cooperatives' board and management must be able to explain their rationale and actions to their membership and gain their approval, which may involve a significant educational effort. Actions taken by cooperatives to maintain or improve their competitive standing should be consistent with traditional cooperative principles. These principles are often summarized as user-controlled, user-benefit, and user-financed. It is important that members understand and accept both these principles and the decisions that need to be made to keep their cooperatives viable and competitive.



Maintaining their membership base is crucial to cooperatives' survival. Cooperative members provide both capital and patronage to the business. This patronage is reflected in the provision of raw product in the case of marketing cooperatives and purchase of inputs in a supply cooperative. Increasingly, cooperative members, particularly producers of quality raw products, are being solicited by other firms. When producers leave a cooperative, patronage diminishes (impacting economies of scale and market power) and financial capital is lost. Communication with members to gain their understanding and support regarding the nature and purpose of their cooperative and the changes that need to be made is just as important to a cooperative's survival as competing in the marketplace.

Also crucial is communication from cooperative members about their concerns and expectations. A survey was conducted in order to determine agricultural producers' knowledge and understanding of the underlying factors of cooperative operations and performance, and their expectations of their cooperatives (*see figures 1 through 7 relating to the General Background questions*). The following analysis provides guidance to cooperative boards and management regarding their members' knowledge and expectations about principles, priorities, and performance as they engage in strategic planning to compete effectively in the twenty-first century. Also presented are some insights into communication needs and programs with members. A brief review of the survey methodology is presented on page 35.



General Background

0. In what county or counties do you farm? Zip-code(s)?
1. Under which legal form is your farm organized?
2. What is your position within the farm operation?
(circle one) Farm Owner/Manager — Administrative/Recordkeeping — Other Employee.
3. What is the size of your total farming operation, both leased and owned?

Total Acres _____

Commodity Acres _____

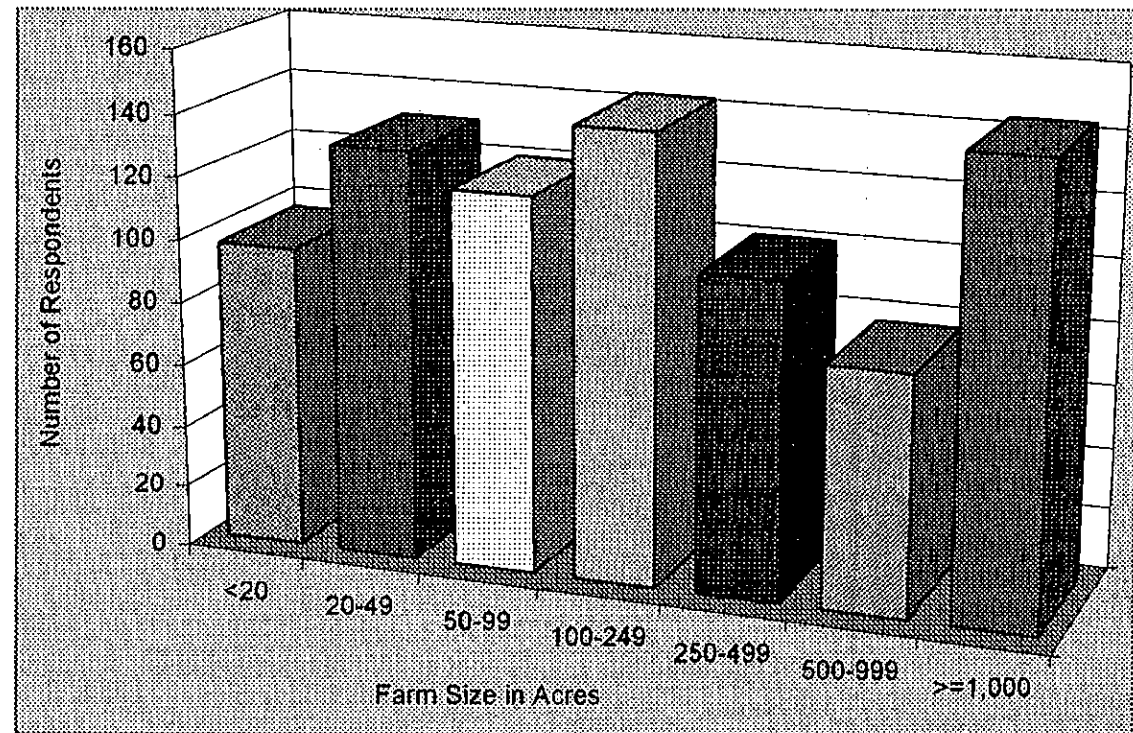


Figure 1. Distribution of Farms by Size



**General
Background**
(Continued)

4. How many different crops do you grow:
(circle one) 1 2 3 4 5 6 or more
5. Of the total acres you farm, how many are
in your cooperative? Acres _____

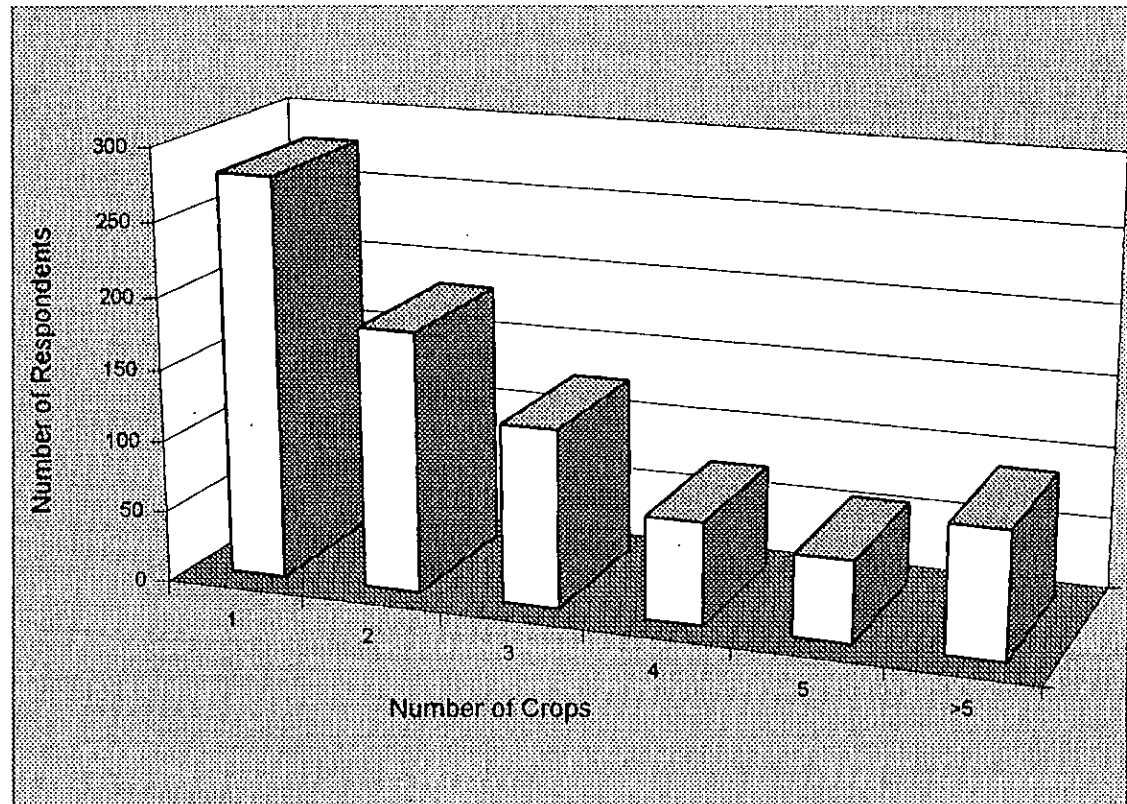


Figure 2. Number of Different Crops Produced by Respondents



**General
Background**
(Continued)

6. In addition to your cooperative, how many other cooperatives do you belong to?
(circle one) 1 2 3 4 5 6 or more

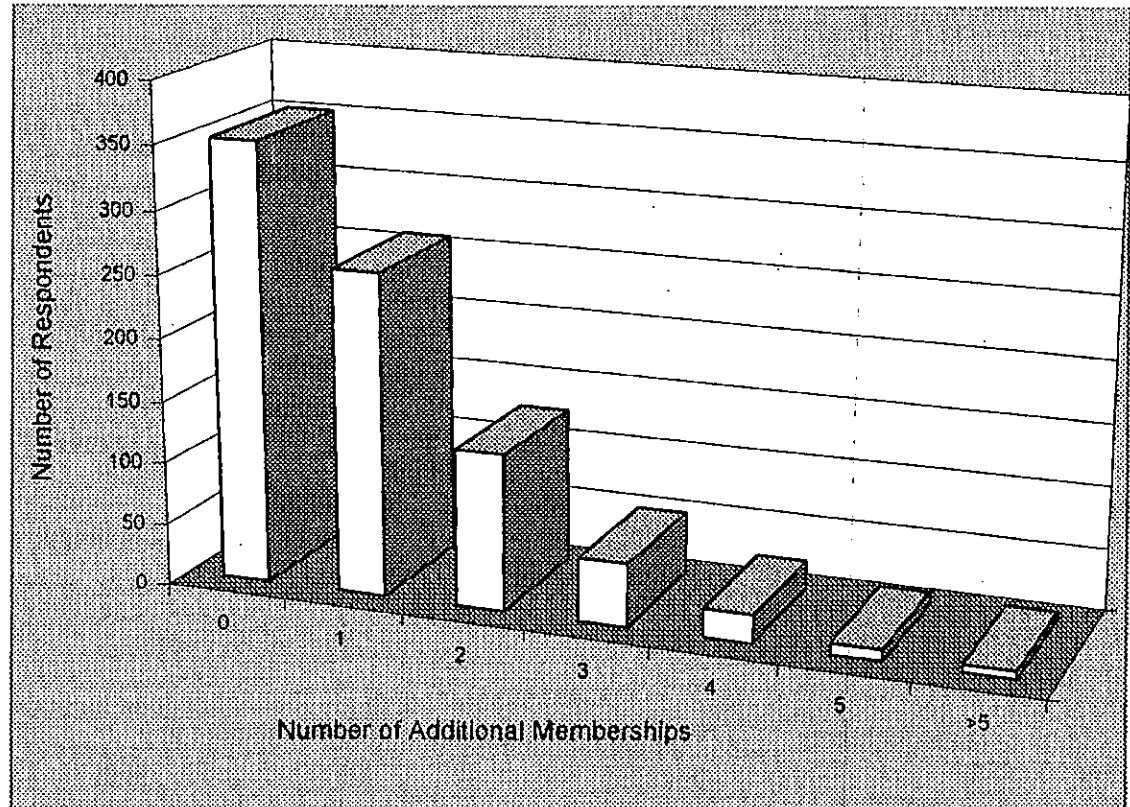


Figure 3. Membership in More Than One Cooperative



**General
Background**
(Continued)

7. How many years have you been a member
of your cooperative? (circle one)
5 or less 6-10 11-15 16-20 21-25 over 25

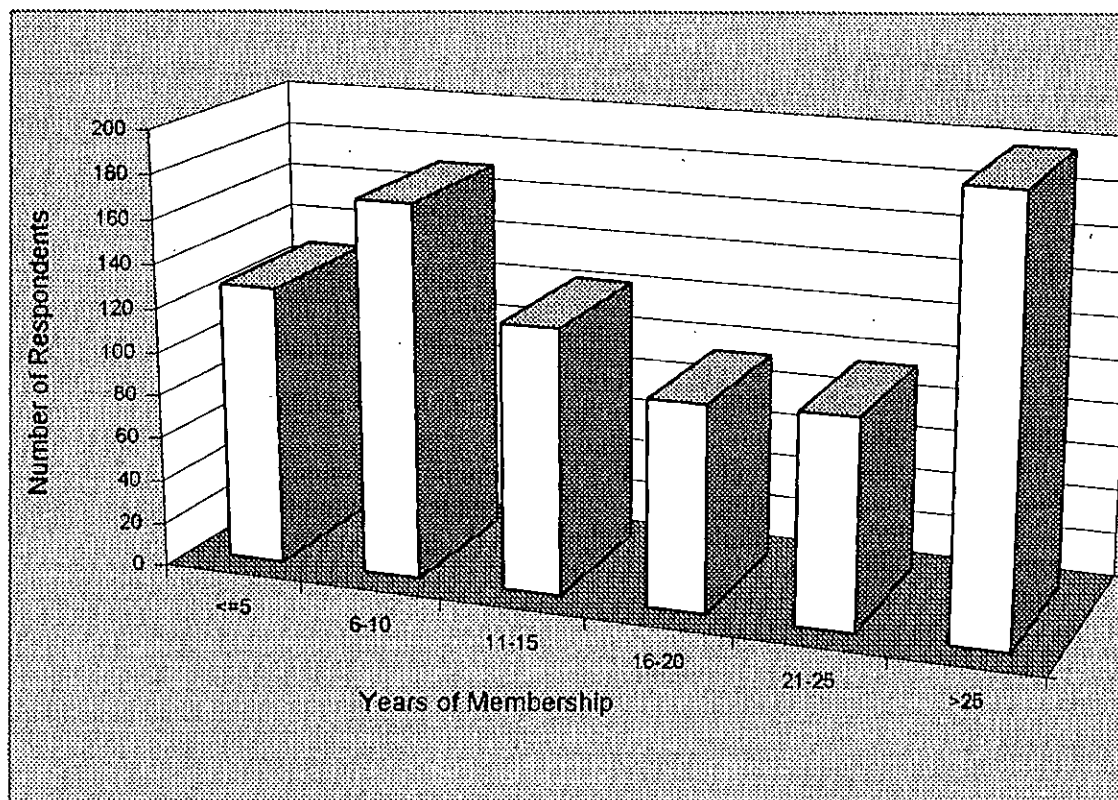


Figure 4. Years of Membership



**General
Background**
(Continued)

8. How many years have you been engaged in farming? (circle one)
5 or less 6-10 11-20 21-30 31-40
41-50 over 51

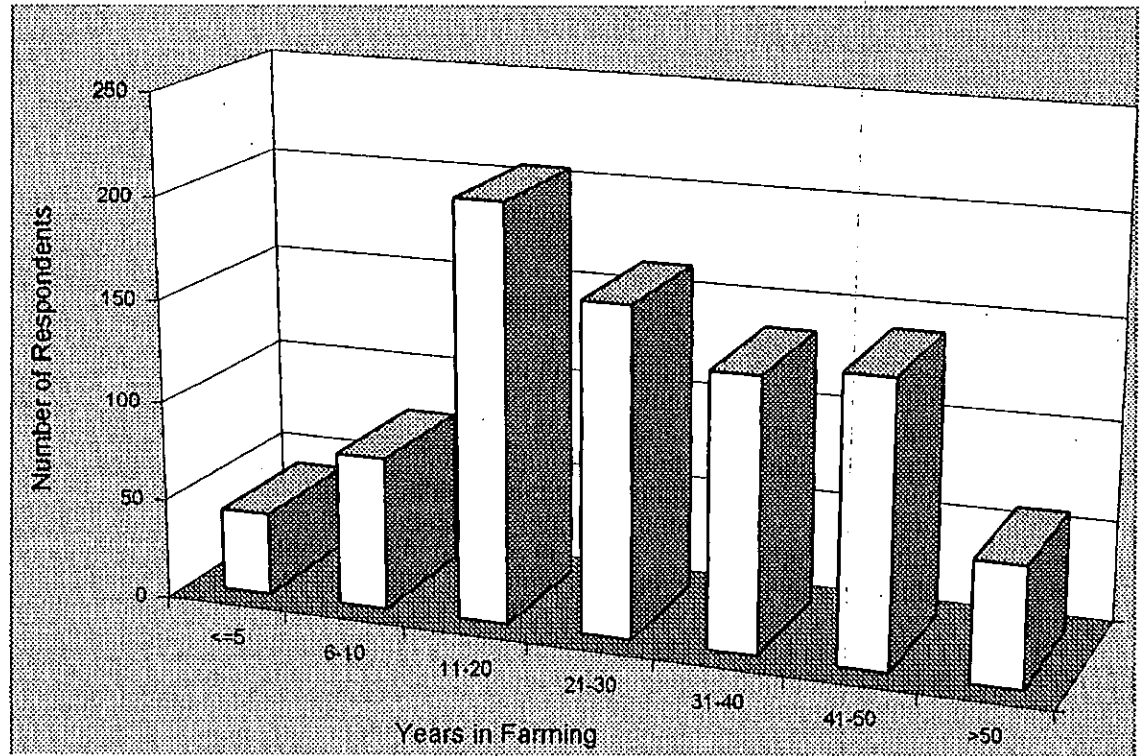


Figure 5. Years Engaged in Farming



**General
Background**
(Continued)

9. What is your age? (circle one)
under 25 26-35 36-45 46-55 56-65
66-75 over 75

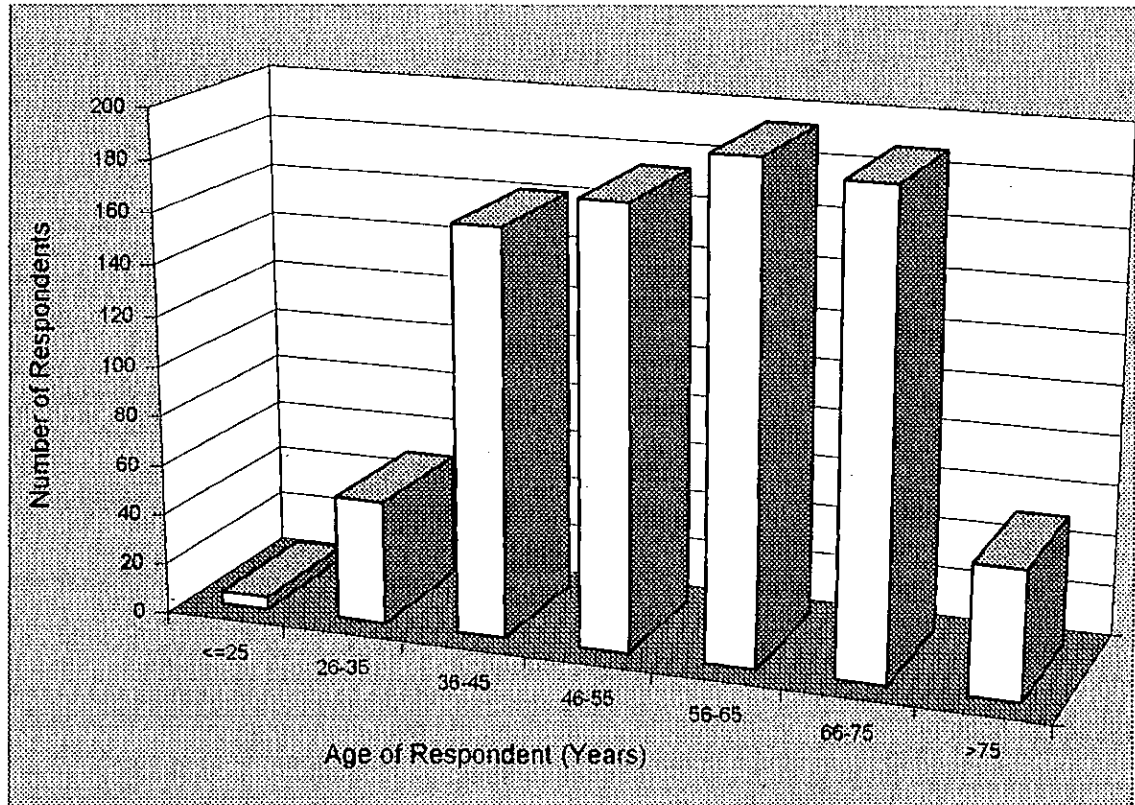


Figure 6. Age of Respondents



**General
Background**
(Continued)

10. What is your level of education? (circle one)
High School College (B.S.) College (M.S.)
College (Ph.D) College (other)

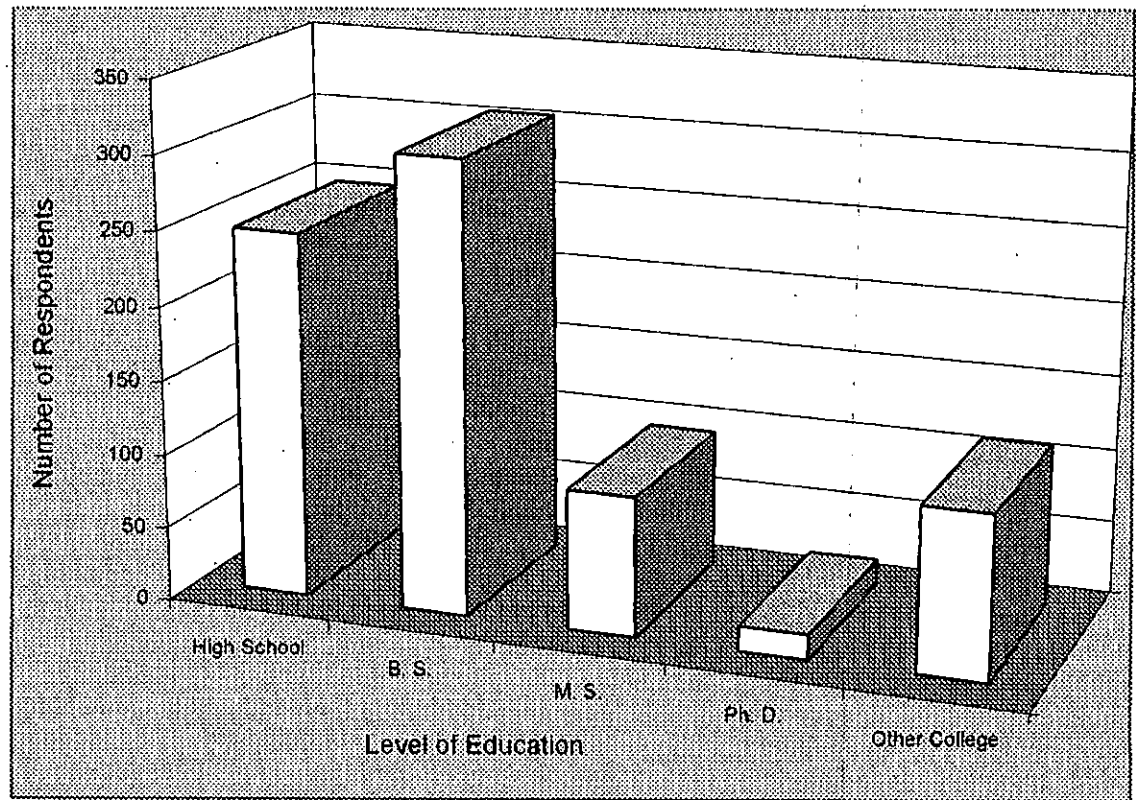


Figure 7. Level of Education



The Survey

The survey was developed and undertaken with the cooperation and participation of 12 California cooperatives. The questionnaire and graphed results are displayed as figures as close as possible to the appropriate analysis section. Three kinds of questions were included in the survey; the respondents were asked to indicate their level of agreement with specific statements, grade various aspects of their cooperative's performance, and prioritize various issues.

The survey was mailed to a random sample of 2,500 cooperative members and 500 nonmembers during February and March of 1991. The 12 California cooperatives that participated are listed in the section titled Participating Cooperatives on page 39. They include 8 marketing cooperatives, 3 bargaining cooperatives, and 1 cooperative that is primarily a supplier to its members. While bargaining cooperatives do not have the capital requirements of marketing and supply cooperatives, their role of representing their members' interests in the marketplace is important. Increasingly, bargaining cooperatives are taking on addition-

al roles in working with both cooperative and other forms of business in gaining increased market opportunities for their members and other producers in an industry.

Of the 2,500 questionnaires mailed to cooperative members, 33% were returned. The response rates for the individual cooperatives ranged from 17% to 56%. The return rate for the 500 questionnaires sent to nonmembers was 19%. The results of the survey are displayed in the Appendix. The average scores were tabulated for each of the three respondent groups—members of marketing and supply cooperatives, members of bargaining associations, and nonmembers.

The analysis of the responses is presented in two main sections: cooperative principles, and cooperative performance and priorities. Overall, there were remarkably few issues about which cooperative members expressed strong opinions as a group. In addition, with few exceptions, there was little difference in responses between the marketing and supply cooperative members and the bargaining association members where similar questions were asked.



Cooperative Principles

In general, the members' responses indicate moderate support for the user-benefit, user-controlled, and user-financed cooperative principles. It was expected that members would have strong support for these principles, which provide the foundation for cooperatives' structure and management. Absence of this strong support suggests many things, principally an overriding need for education of both members and nonmembers.

The User-Benefit Principle

Cooperatives are organized to provide benefits to their membership; this statement represents the user-benefit principle. Members expressed moderate agreement with the statements, *Cooperatives should be operated on a nonprofit basis* (question 19) and *Final returns appropriately reflect revenues above cost and a total return on members' equity* (question 20). These statements epitomize the user-benefit principle; they reflect the fact that all revenues earned by cooperatives minus expenses should be returned to members.

The statement related to the user-benefit principle that evoked the strongest agreement of any question in the entire survey from cooperative members was *Having a home for my production is im-*

portant (question 30). However, this principle when compared against other reasons why producers join cooperatives ranked third, although a close third (question 11). The first two reasons in the comparative ranking were *My cooperative provides the most consistent returns* and *My cooperative provides the best total returns*. Obviously, an important reason why producers currently belong to a cooperative is to have a place to market their crop coupled with their expectations of consistent and competitive returns.

Cooperative members agreed moderately with the statement, *Members of a marketing cooperative should deliver all of their production to it* (question 14). Their concurrence presumably reflects members' recognition of economies of scale, and their cooperative's need to maintain its production base even during years when its projected returns may not be on par with those of its competitors. The members agreed moderately *that their cooperative's members benefit from a continuous expansion of its business* (question 36); this support for growth presumably stems from the members' recognition of the continuous need to develop additional markets for an expanding production base, which usually is the cause of lower producer prices.





General Background

(Continued)

11. Which of the following influenced your decision to join your cooperative?
(rank 1=highest, 7=lowest)
- A. The cooperative provides a home for my product.
 - B. My cooperative provides the best total return.
 - C. My cooperative provides the most consistent returns.
 - D. My cooperative provides market development
 - E. My cooperative provides industry leadership.
 - F. Other

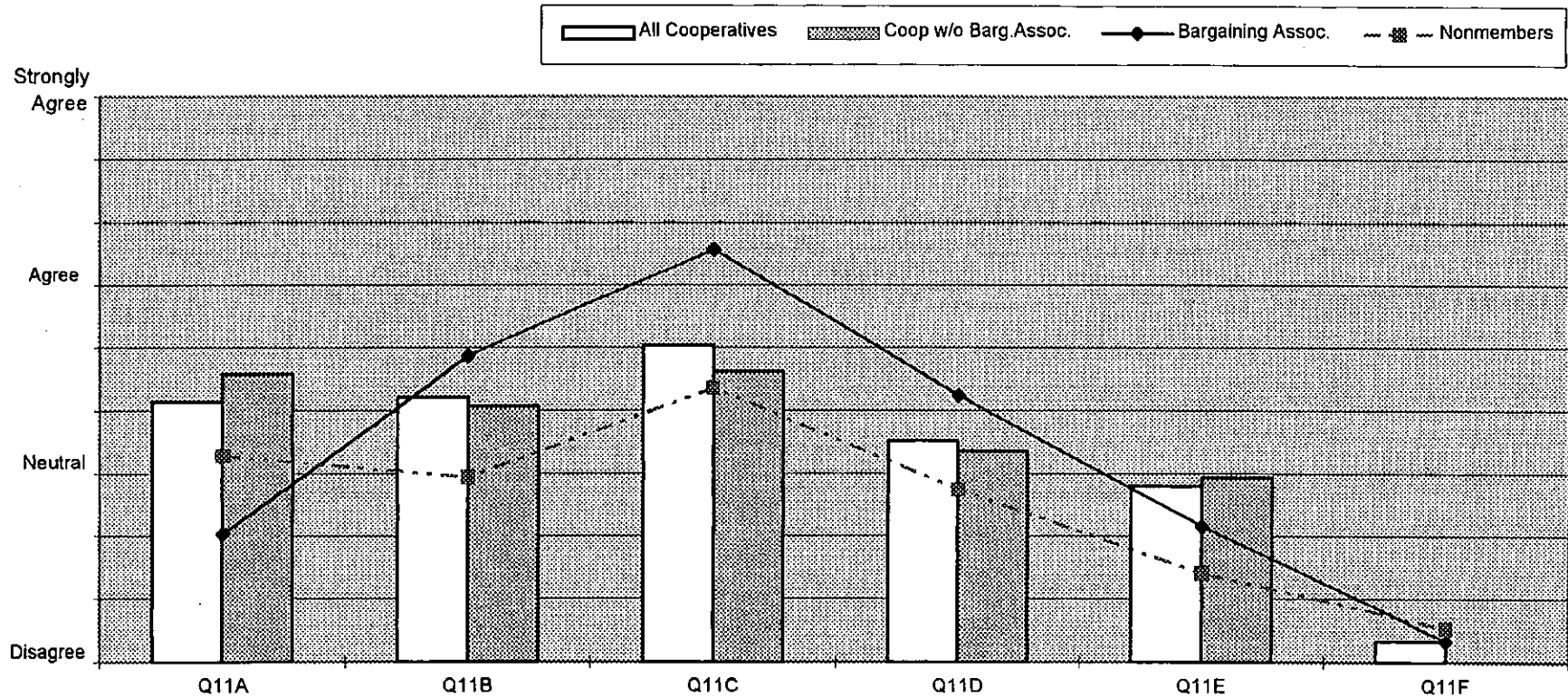
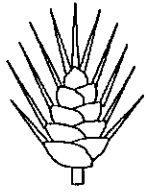


Figure 8. Question 11A through 11F



Cooperative Principles

- Please indicate your agreement with the following statements by circling the appropriate number (1=strong agreement; 2=agreement; 3=neutral; 4-disagreement; 5-strong disagreement; 6-don't know)
12. Cooperatives should have open membership.
 13. Voting in cooperatives should be on the basis of "one person, one vote."
 14. Members of a marketing cooperative should deliver all of their production to it.
 15. Members of a supply cooperative should purchase all of their supplies from it.
 16. Cooperatives should not accept "nonmember" business.

17. Both cooperative members and non-members need education regarding cooperatives' goals, operations, and performance.
18. Retains are considered a "cost of doing business" in a cooperative, with no interest to be received.
19. Cooperatives should be operated on a "non-profit" basis.
20. Final returns appropriately reflect revenues above cost and a total return on members' equity.
21. Cooperatives should depend more on credit than on members' equity in financing their operations.
22. The amount of credit that a cooperative borrows has no relationship to a member's financial situation.

23. A cooperative should be the leader in every aspect in its industry.
24. Cooperatives provide an essential alternative for both members and nonmembers.
25. Cooperatives are worthwhile even if non-members, who don't financially support them, receive some benefits.
26. The presence of a "bargaining association" or cooperative in an industry provides stability.
27. Bargaining cooperatives should always bargain for the highest price without regard for long-term consequences.
28. Successful cooperatives are ones that organize around single and related commodities rather than multiple ones.

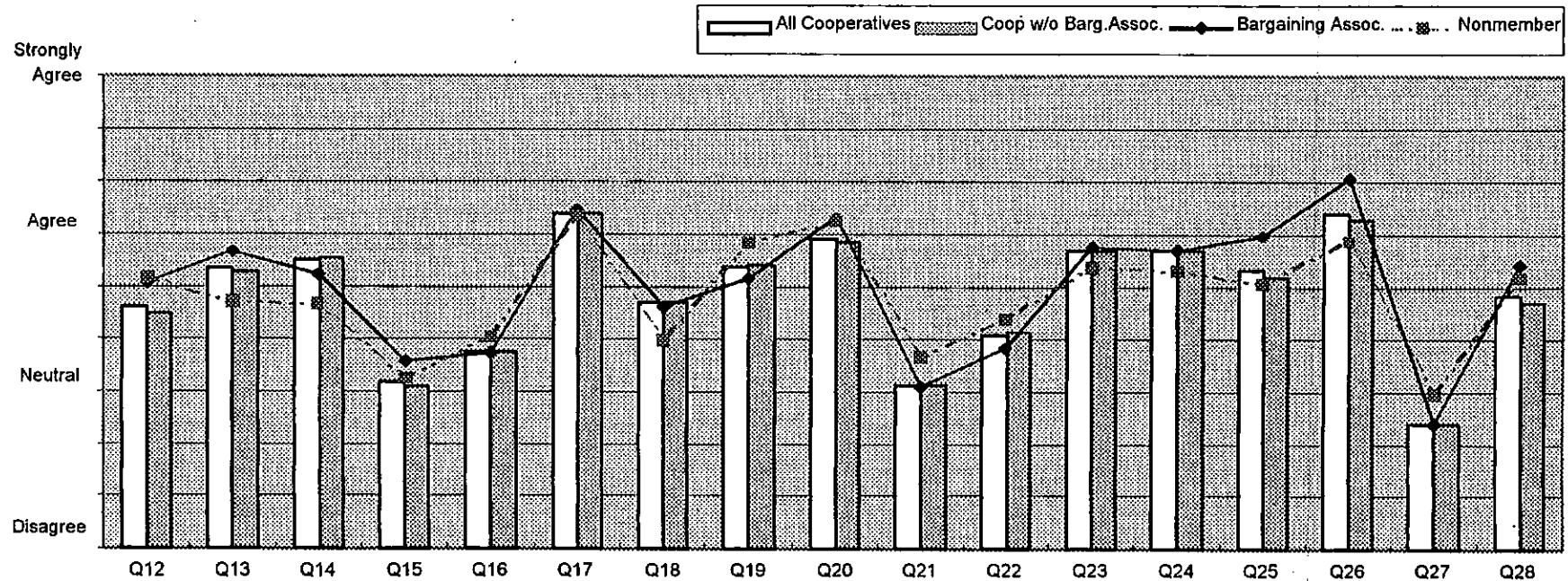


Figure 9. Questions 12 through 28

Surprisingly, the members were not enthusiastic about their cooperatives' nonmember business; they responded with neutrality to the statements, *Cooperatives should not accept nonmember business* (question 16) and *To compete more effectively, cooperatives must look to expand into products beyond their members' base production* (question 39). Cooperatives' attention to nonmember products could be considered a threat to the members' primary goal of having a home for their production as well as a perceived need to enforce production discipline in given industries so as to maintain profitable price levels. The neutral response is reflective of the debate that is ongoing among cooperatives in general about accepting nonmember business and indicates members' concern that while doing so has advantages, they also perceive disadvantages. Hence, the strategy of accepting nonmember business needs to be analyzed carefully and explained to members. In addition, cooperative members were wary about their *co-operative undertaking projects that have a high degree of risk, irrespective of the potential benefits* (question 34).

The User-Controlled Principle

Most cooperatives have a democratic voting structure; their members' voting rights are usually not weighted in propor-

tion to their patronage. Members agreed moderately with the following statement, *Voting in cooperatives should be on the basis of one person, one vote* (question 13). Some producers feel disadvantaged in a cooperative because their contribution in patronage is not appropriately reflected in their voting rights.

As in any democratic institution, members' interests are reflected in an elected board. Members were asked to assess how well their interests are represented by their cooperative's board and agreed moderately with the statement, *The board of directors in my cooperative adequately represents my interests in managing the cooperative* (question 46). They also indicated that, in general, there is no bias in their cooperative's board representation with respect to grower size (question 47).

The User-Financed Principle

Cooperatives operate under the user-financed principle; as the owners, members have the responsibility to contribute equity capital to their cooperative. Most cooperatives obtain their member equity by deducting member retains from patronage dividends. These retains are an underpinning of the cooperative structure, used to provide operating capital, finance production operations, and fund marketing programs.





Goals and Performance

29. My cooperative should limit members' deliveries to adjust to declining or uncertain markets.
30. Having a home for my production is important.
31. By securing the highest price for my product, my cooperative will assure that I receive the best possible return.

32. A bargaining cooperative would provide increased stability to my commodity industry.
33. Patronage dividends are an important factor in evaluating a cooperative's performance.
34. My cooperative should not undertake projects that have a high degree of risk, irrespective of potential benefits.
35. My financial resources are better spent in my farming operation than in providing equity for my cooperative.
36. My cooperative's members benefit from a continuous expansion of its business.
37. There are no limits to the size and scope of

- operations that my cooperative can undertake.
38. To compete more effectively, cooperatives must become more international in scope.
39. To compete more effectively, cooperatives must look to expand into products beyond their members' base production.
40. High quality standards are essential to my cooperative's financial performance, even if they increase producers' costs.
41. My cooperative and its members will increasingly be affected by environmental regulations.

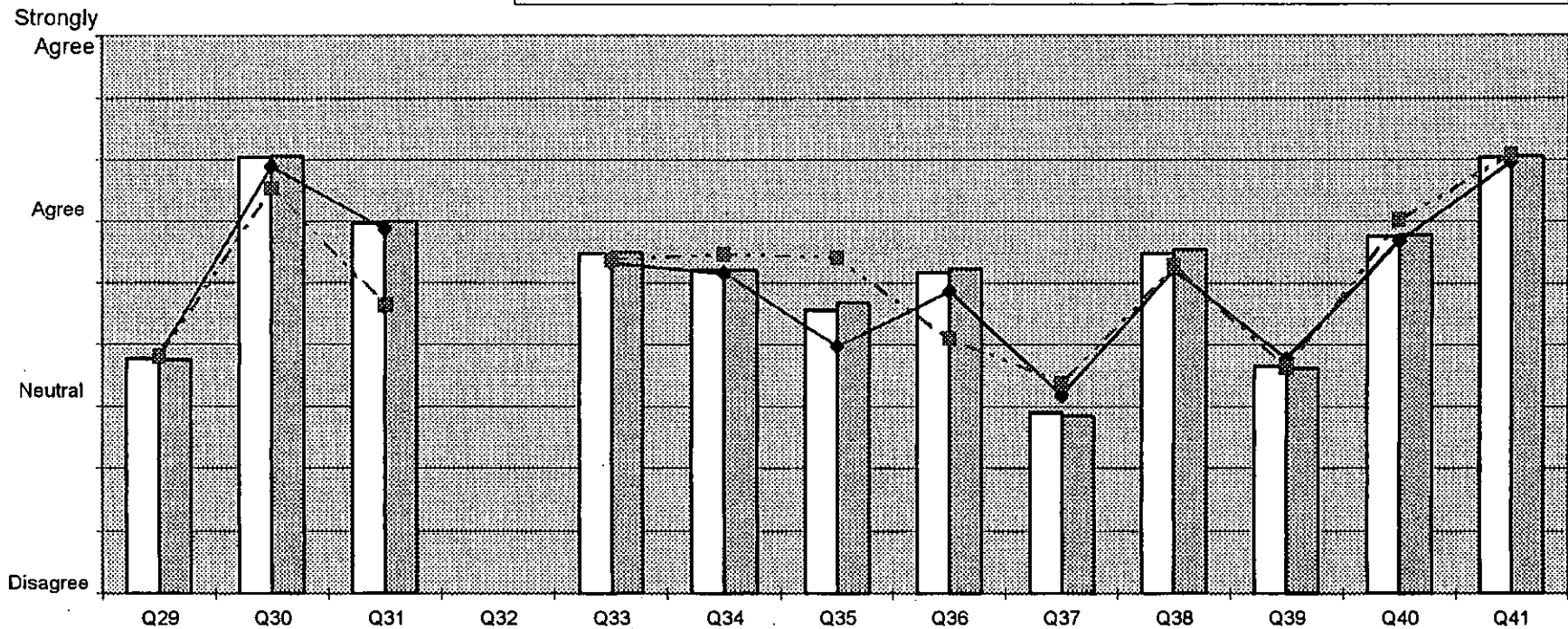
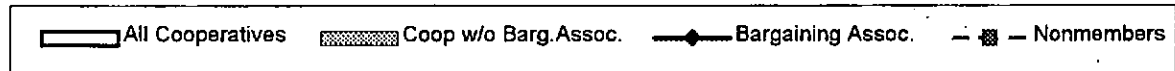
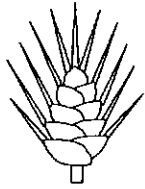


Figure 10. Questions 29 through 41



Goals and Performance

(Continued)

- 42. I expect to increase my farming operation in the near future.
- 43. My cooperative should make it easier to expand my production.
- 44. Managing a cooperative is unique and must be evaluated differently from non-cooperative forms of business.
- 45. My cooperative's management is working effectively on my behalf in the cooperative.
- 46. The board of directors in my cooperative adequately represents my interests in managing the cooperative.

- 47. The board of directors is dominated by the interests of:
 - A. Large growers
 - B. Medium growers
 - C. Small growers
 - D. Management
 - E. Other
- 48. My cooperative should provide more services. What services?
- 49. If another company offered to buy my cooperative at a price returning three times the value of my investment, I would sell.

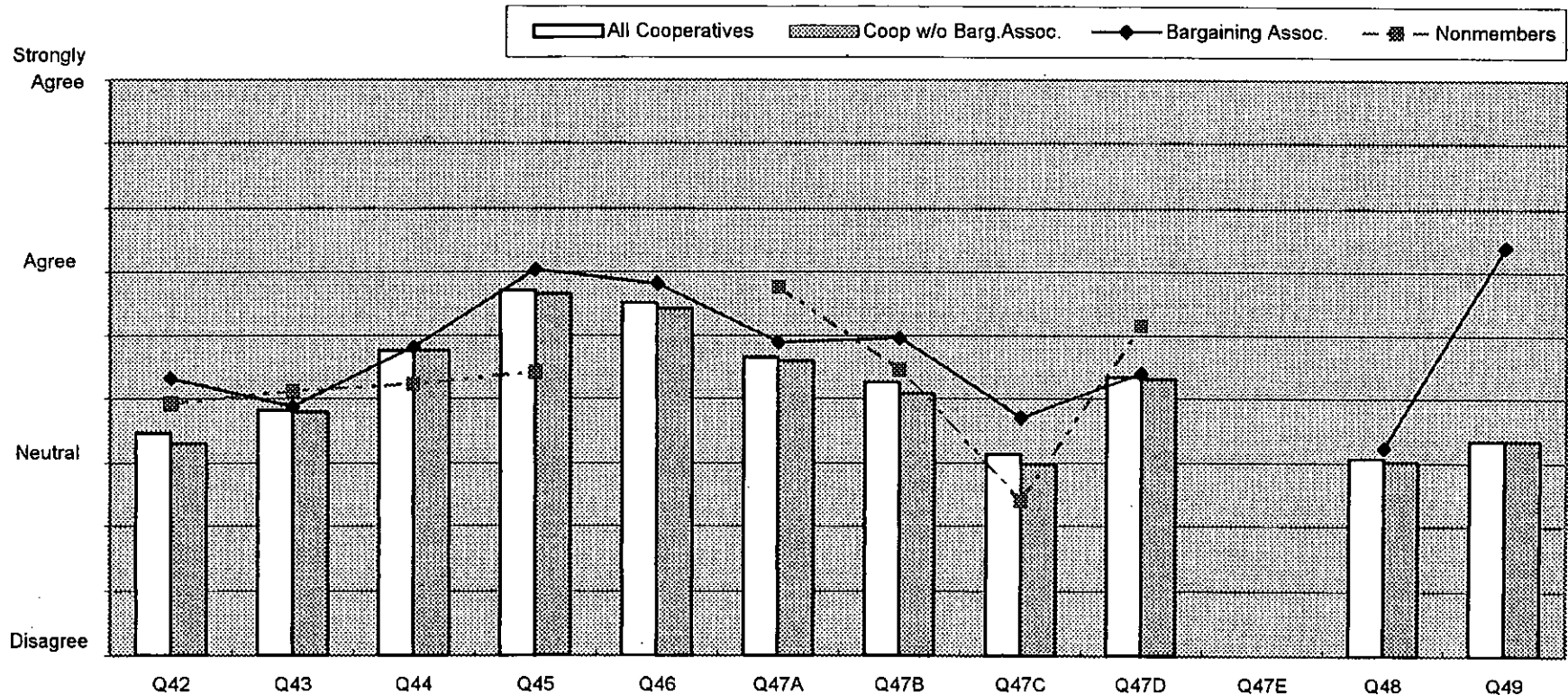


Figure 11. Questions 42 through 49

The results of the survey indicate a lack of strong support for (or, possibly, understanding of) the user-financed principle. Members were in mild agreement with the statement, *Retains are considered a cost of doing business in a cooperative, with no interest to be received* (question 18). Strong support was expected, but the result reflects the competition for producers by other firms as well as a growing realization that alternative means of financing cooperatives may have to be developed. Members also responded in like fashion to the statement, *My financial resources are better spent in my farming operation than in providing equity for my cooperative* (question 35); not surprisingly, nonmembers actually had stronger agreement with this statement. The response to this statement reflects most producers' orientation to production activities, over which they feel they have more direct control, and their view of a cooperative as a home for their product rather than an advantage to them for additional profit through marketing programs. Strong disagreement with this statement would reflect recognition by member/owners of the financial capital needed to finance processing and marketing activities so as to gain them a competitive advantage and would indicate an under-

standing that their competition is with other processing/marketing firms and not their neighbors who are also producers.

Cooperative members' reluctance to fund their cooperative was also reflected in their ranking of the biggest disadvantages to being a member of a cooperative (question 55). They ranked *takes too long to receive my final payment* as the biggest disadvantage and *too much money tied up in retains* as the next biggest disadvantage of cooperative membership. Hence, the issue of how a cooperative is to be financed, particularly in a changing competitive environment, needs a significant amount of attention. This statement is particularly true if a cooperative is going to rely primarily on member equity to finance the necessary production and marketing activities needed to maintain and improve its competitiveness.

Cooperatives as an Alternative

In addition to their support of the cooperative principles, cooperative members were surveyed about the general benefits provided by cooperatives to agriculture. They agreed moderately with the statement, *Cooperatives provide an essential alternative for both members and nonmembers* (question 24) and to a lesser extent with *Cooperatives are worth while even if nonmembers, who don't financially*



support them, receive some benefits (question 25). Stronger agreement was evidenced with the statement, *The presence of a bargaining association or cooperative in an industry provides stability* (question 26). These responses taken collectively indicate that members recognize that their cooperatives provide leadership, stability, and other services to the agricultural sector. As cooperatives compete with other entities in an industry, their existence allows for a comparison of returns and a countervailing competitive force. Cooperative

members appear willing to provide an umbrella or benefits for the rest of the industry, although they are not necessarily pleased about doing so.

The issue of bargaining associations or cooperatives is also reflected in these responses, particularly to question 26. The response is reflective of a growing recognition of the role that bargaining associations can play in an industry in promoting communication, providing services, and enhancing marketing opportunities in addition to their activities in representing their members' interests.





Cooperatives' Performance and Priorities

There are various dimensions to a cooperative's performance. In addition to their production, marketing, and finance activities, they also engage in government relations and communications. Since strategic planning is important to a cooperative's long-run direction, members were asked to prioritize their Boards' and their cooperatives' objectives.

General Business Practices

Members were asked to evaluate the general business practices of their cooperatives. Members recognized the importance of international forces in their moderate support of the following statement: *To compete more effectively, cooperatives must become more international in scope* (question 38). They were cognizant of the importance of product quality in the marketplace through their agreement with *High quality standards are essential to my cooperative's financial performance, even if they increase producers' costs* (question 40). However, members did have concerns over a cooperative becoming too large or diversified; they disagreed moderately with the statement, *There are no limits to the size and scope of operations that my cooperative can undertake* (question 37). The outcome of this question may well reflect members' concerns relating to the financing of the

cooperative and their concern about risk (question 34).

Management Performance

Cooperative management must support the cooperative principles, comply with special cooperative regulations, and address member relations, as well as perform the traditional functions of non-cooperative business managers. However, members in this survey did not appear to recognize these operating differences; they were ambivalent to the statement, *Managing a cooperative is unique and must be evaluated differently from non-cooperative forms of business* (question 44). Further insight into the attributes of good cooperative management are found in question 53. For members of the marketing and supply cooperatives, the top two reasons ranked were "properly plan for the efficient use of employees and financial resources" and "understand and be responsive to members' concerns." The same ranking was given by nonmembers as well. This response reinforces the double challenge of cooperatives as expressed in the principles of cooperation, which insist on balanced attention between the business management of the cooperative and member programs. However, bargaining association respondents provided a significantly different ranking,





Goals and Performance

(Continued)

50. If your cooperative did not exist, rank (1=most likely, 2=next most likely, etc.) the following as alternatives:

- A. Joining or forming another cooperative.
- B. Selling to a non-cooperative that pays the highest price.
- C. Selling to a non-cooperative that offers the same services as my cooperative.
- D. Produce other crops.
- E. Do my own marketing.
- F. Exit farming.

51. Rank (1=highest; 2=next highest, etc.) the priority you feel your cooperative should

give to the following:

- A. Increasing the sales volume of your commodity.
- B. Increasing the returns received for your commodity.
- C. Being competitive with other companies in your commodity's industry.
- D. Lowering operating and processing costs.
- E. Investing more in marketing activities and programs.
- F. Borrowing more credit for expansion.
- G. Other

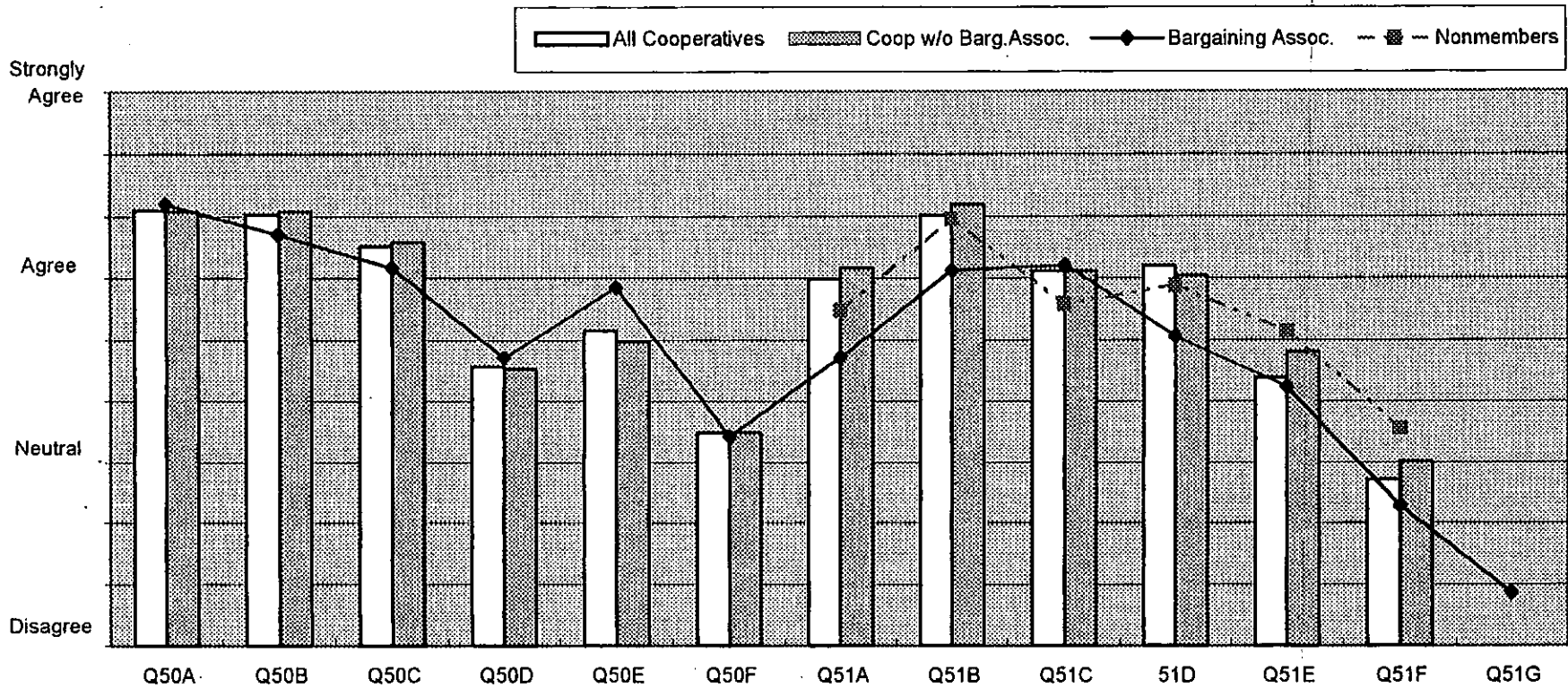
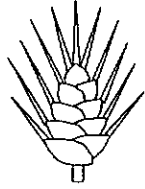


Figure 12. Questions 50 and 51



Goals and Performance

(Continued)

52. Rank (1=highest, 2=next highest, etc.) the following as priorities the board of directors should undertake:

- A. Closer supervision of management.
- B. Closer control of operating costs.
- C. Increased responsiveness to member concerns.
- D. Planning for the future.
- E. Develop plans for continuous and dynamic leadership in my cooperative.
- F. Looking for ways to grow.

53. Rank (1=highest, 2=next highest, etc.) the following as attributes important for management to be effective:

- A. Ability to handle people.
- B. Properly plan for the efficient use of employees/financial resources.
- C. Understand and be responsive to members' concerns.
- D. Plan for the future.
- E. Ability to work with boards of directors
- F. Meet members and the public equally well.

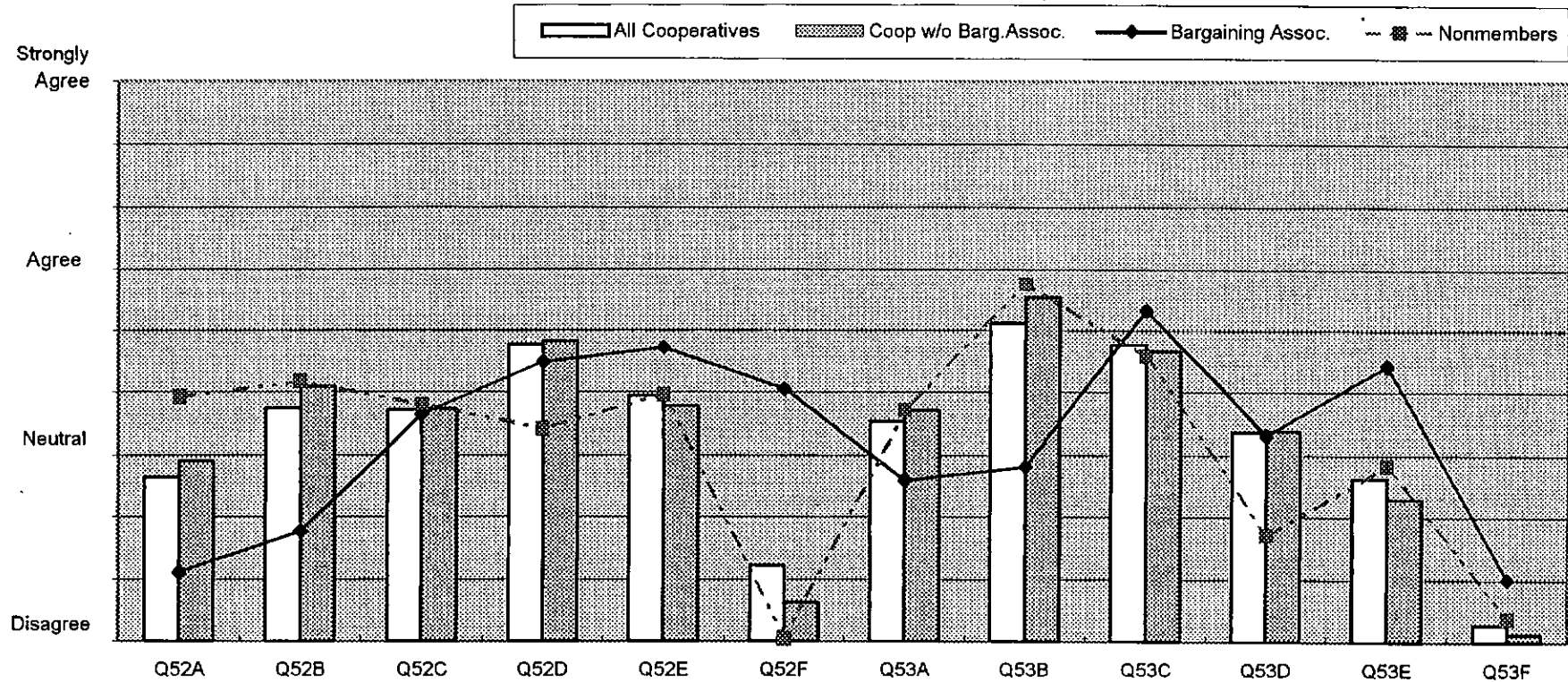


Figure 13. Questions 52 and 53

which reflected the makeup of the kinds of activities and programs they present to their members. Their ranking was to put "members' concerns" first followed by "ability to work with boards of directors." "Planning for the future" was the third ranking, followed by "efficient use of employees and resources." This difference in ranking should not be surprising, since bargaining associations are more directed at providing member services and programs and hence place a higher premium on the attributes of management directed to them. In addition, the other nine cooperatives are engaged either in processing and marketing or supply functions and would place a higher premium on management attributes directed towards them.

Members were satisfied with their cooperatives' management performance; they agreed moderately with the following statement: *My cooperative's management is working effectively on my behalf in the cooperative* (question 45). The last question on the survey dealt with an overall evaluation of cooperatives by their members (question 71). The members' ratings averaged to a B+, which reflects satisfaction with a belief that there is room for improvement.

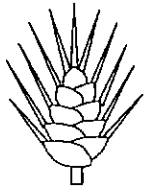
Planning

Cooperative boards have the primary responsibility for setting policy and the direction of the cooperative. Members

were asked to rank their board members' priorities (question 52). A significant divergence occurred between the nine marketing and supply cooperatives and the bargaining cooperatives, so the results will be discussed separately.

For the nine marketing and supply cooperatives, the ranking was: *plan for the future, closer control of operating costs, develop plans for continuous and dynamic leadership, increased responsiveness to member concerns, closer supervision of management, and look for ways to grow*. Marketing and supply cooperatives, because of their investment in assets, would be more concerned about closer control of operating costs. However, it can be argued that this function is not a responsibility of the board but of management. Some boards are criticized for their obsession with "tinkering" with operations instead of setting goals and objectives for management to accomplish. *Looking for ways to grow* was ranked as the lowest priority item, which is not surprising, given responses to other questions relating to the size of the cooperative. What is important is a cooperative's ability to remain flexible in order to adapt to changing conditions and situations, which requires strategic planning.





Goals and Performance

(Continued)

54. Cooperatives succeed for the following reasons (rank as 1=highest, 2=next highest, etc.):

- A. Sufficient capital.
- B. Use credit wisely.
- C. Efficient management.
- D. Knowledgeable members of boards of directors.
- E. Adequate business margins.
- F. Informed membership.
- G. Balance short run revenue gains with long-run sustainability of profits.
- H. Avoid tying up too much money in fixed assets.

55. Please rank the following disadvantages of being a member of a cooperative (from 1=largest disadvantage, 2=next largest, etc., to 6=least disadvantageous):

- A. Returns are not as high as in a non-cooperative business.
- B. Takes too long to receive my final payment.
- C. Too much money tied up in retains.
- D. Management dictates to growers.
- E. My interests aren't represented.

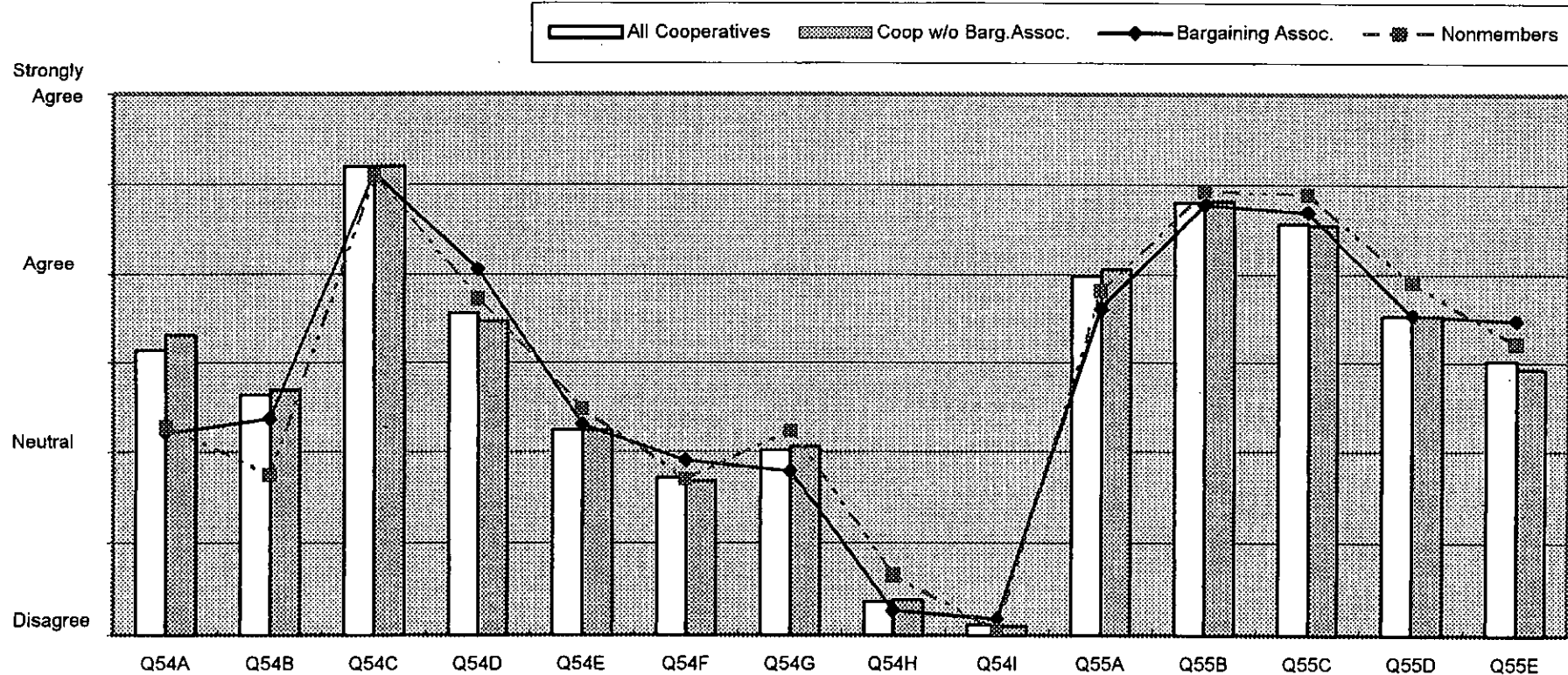


Figure 14. Questions 54 and 55

The bargaining associations' ranking was: *develop plans for continuous and dynamic leadership, plan for the future, look for ways to grow, increased responsiveness to member concerns, closer control of operating costs, and closer supervision of management.* This ranking is explained by the kinds of programs that bargaining associations undertake compared with those of marketing and supply cooperatives. Bargaining associations are usually looking for increased markets for their members in order to enhance their bargaining capability. It is important to note that both groups ranked *planning for the future* at or near the top.

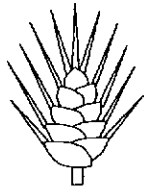
The members were also asked to prioritize their cooperatives' goals. They ranked *increasing returns received for your commodity* as their cooperative's highest priority (question 51). The lowest ranking priorities were investing in more marketing activities and programs and borrowing more credit for expansion. The low ranking for investment in marketing is not surprising, given producers' preoccupation with relating competitiveness to low-cost enterprises. However, if market expansion is needed, cooperatives must provide the necessary education to assure support for market investment.

Government Relations

Increasingly, cooperatives and their members are affected by governmental policy and regulations that force them to seek ways to both protect and promote their interests. Environmental regulations are of growing concern to cooperative members. The statement in the survey that generated the second strongest level of agreement among cooperative members was, *Cooperatives and their members will increasingly be affected by environmental regulations* (question 41). When asked to rank ten issues with respect to their future legislative and governmental attention, *pesticide regulations* and *water use regulations* were clearly identified as the areas of greatest concern (question 66). Farm program legislation was ranked at the bottom of the cooperative members' legislative priorities, which was supported by their response to the importance of federal government farm support programs to the success of farming in California (question 59).

Members of cooperatives did express strong agreement with the statement, *It is necessary for my cooperative to provide leadership on issues requiring legislative and government attention* (question 60), which is also supported by their response to question 23, *A cooperative should be a*





Legislative/ Government Relations

Please indicate your agreement with the following statements by circling the appropriate number (1= strong agreement; 2=agreement; 3=neutral; 4=disagreement; 5=strong disagreement; 6=don't know):

56. The Capper-Volstead Act provides important protection for cooperatives that must be preserved.
57. Cooperatives need to maintain their tax exempt

status to be competitive.

58. Marketing orders are essential to an effective marketing program in my cooperative.
59. Federal government farm support programs are important to the success of farming in California.
60. It is necessary for my cooperative to provide leadership on issues requiring legislative and government attention.
61. On state issues, my interests are best served by my cooperative joining with other cooperatives in an organization like the Agricultural Council of California to represent me.

62. On national issues, my interests are best served by my cooperative participating in the National Council of Farm Cooperatives to represent me.
63. My interests are better served in state and national legislation by my membership in an organization of commodity growers.
64. Representation through a Political Action Committee (PAC) supported by my contributions is increasingly necessary to assure that my political interests are protected.
65. It is appropriate for my cooperative to form a PAC to promote its interests.

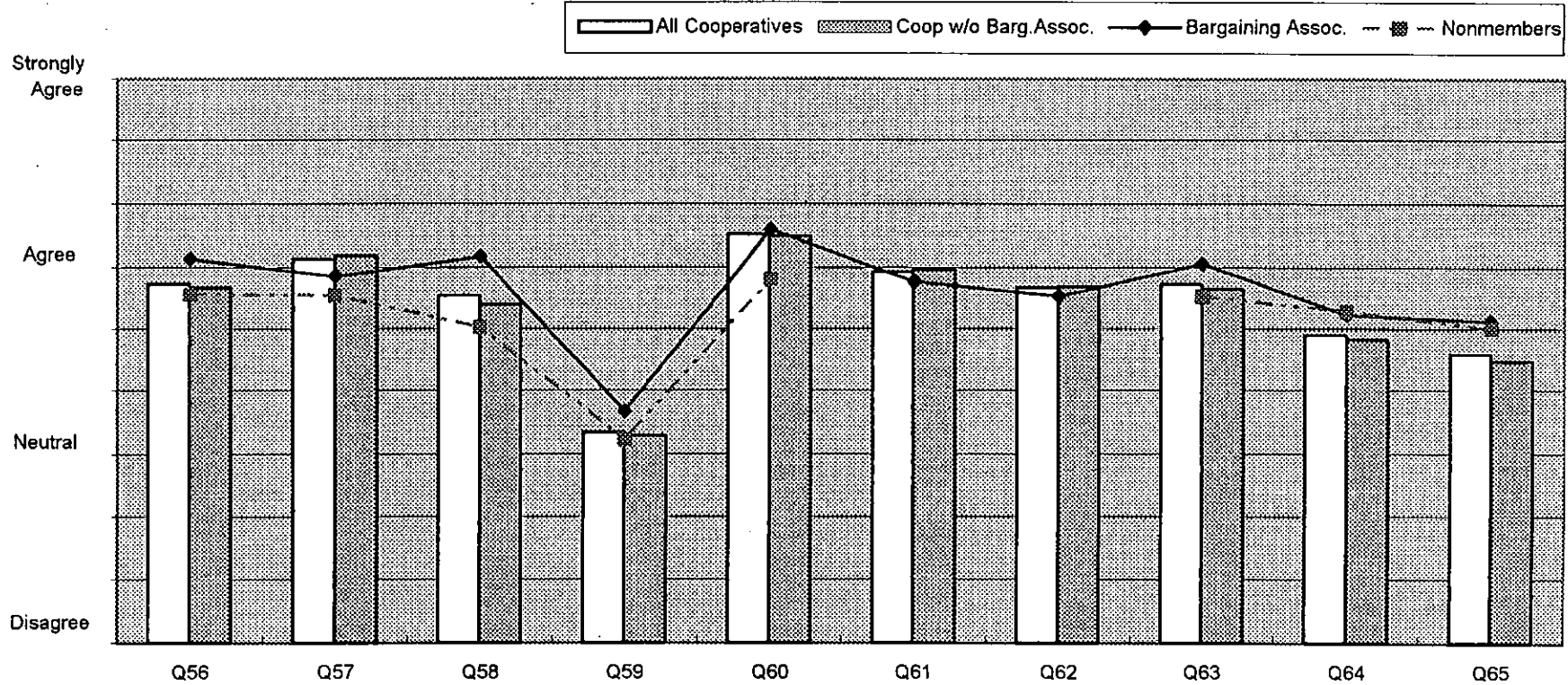


Figure 15. Questions 56 through 65

leader in every aspect in its industry. Their response to questions 61 and 62 provides support for the activities of the National Council of Farmer Cooperatives and the Agricultural Council of California, as effective government relations representatives for cooperatives at the federal and state levels. Additionally, they also indicated support of the statement, *My interests are better served in state and national legislation by my membership in an organization of commodity growers* (question 63). However, their support of the need for Political Action Committees (PAC's) received less agreement than their support of the need for legislative action (questions 64 and 65). The other legislative issues that cooperative members were also surveyed about included the *Capper Volstead Act, tax exempt status of cooperatives, and effectiveness of marketing orders* (questions 56, 57, and 58, respectively). The cooperative members expressed support for the benefits received by producers in all three of these areas.

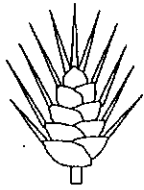
Communications

Cooperatives need support from their membership, the producer community at large, and the public. Members agreed strongly with the statement, *Both cooperative members and nonmembers need*

education regarding cooperatives' goals, operations, and performance (question 17). Respondents to the survey were also asked to grade (on an A to F scale) the image of cooperatives among various groups. The nine marketing and supply cooperatives graded their image highest among consumers and their membership (both B+s). They rated their image the lowest with nonmember producers (C+), which is borne out by that group's ranking. The other respondent groups, nonmembers and members of bargaining associations, both graded consumers' image of cooperatives much lower (C, on a par with the media's image); this supports a conclusion that cooperative members have overrated their image with consumers.

Members were also asked to grade the quality of their cooperative's member communication programs. They graded their cooperatives highest on production and marketing issues (both B's) and lowest on internal cooperative affairs, environmental issues, and health and safety issues (all C+s). However, the grading is probably correlated with the members' level of interest in the respective areas which generally relates to production issues. A further survey and analysis are probably necessary to determine whether producers want more information in these other areas.





Legislative/ Government Relations

(Continued)

66. Rank (from 1=highest to 10=lowest) the following issues involving future legislative and governmental attention:

- A. Pesticide regulations
- B. Water use regulations
- C. Water quality regulations
- D. Land use regulations
- E. Air quality regulations
- F. Waste disposal regulations
- G. Farm labor regulations
- H. Trade policy and regulations
- I. Farm program legislation

67. Indicate your cooperative's image among the following (A=excellent; B=good; C=average; D=below average; F=improvement needed; E=don't know):

- A. My cooperative's membership
- B. Other commodity growers (not members)
- C. Other cooperatives
- D. Consumers
- E. Government
- F. The media (newspapers, magazines, radio, TV, etc.)

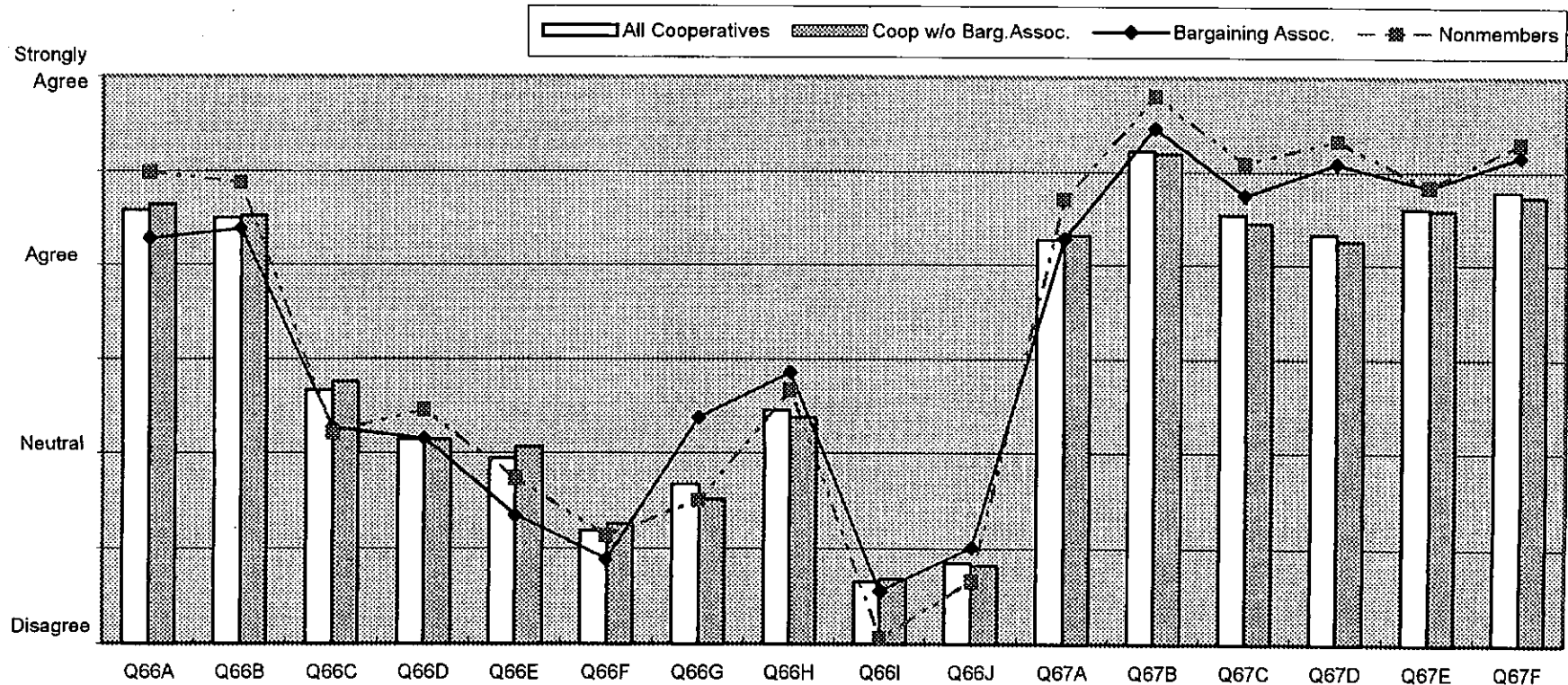
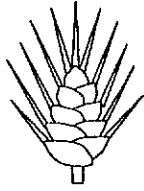


Figure 16. Questions 66 and 67



Communication

68. How well does your cooperative communicate with you on the following (A=excellent; B=good; C=average; D=below average; F=poorly; E=doesn't matter):

- A. Production issues
- B. Marketing issues
- C. Trade issues
- D. Economic issues
- E. Internal cooperative affairs
- F. Environmental issues
- G. Health and safety issues
- H. Political issues

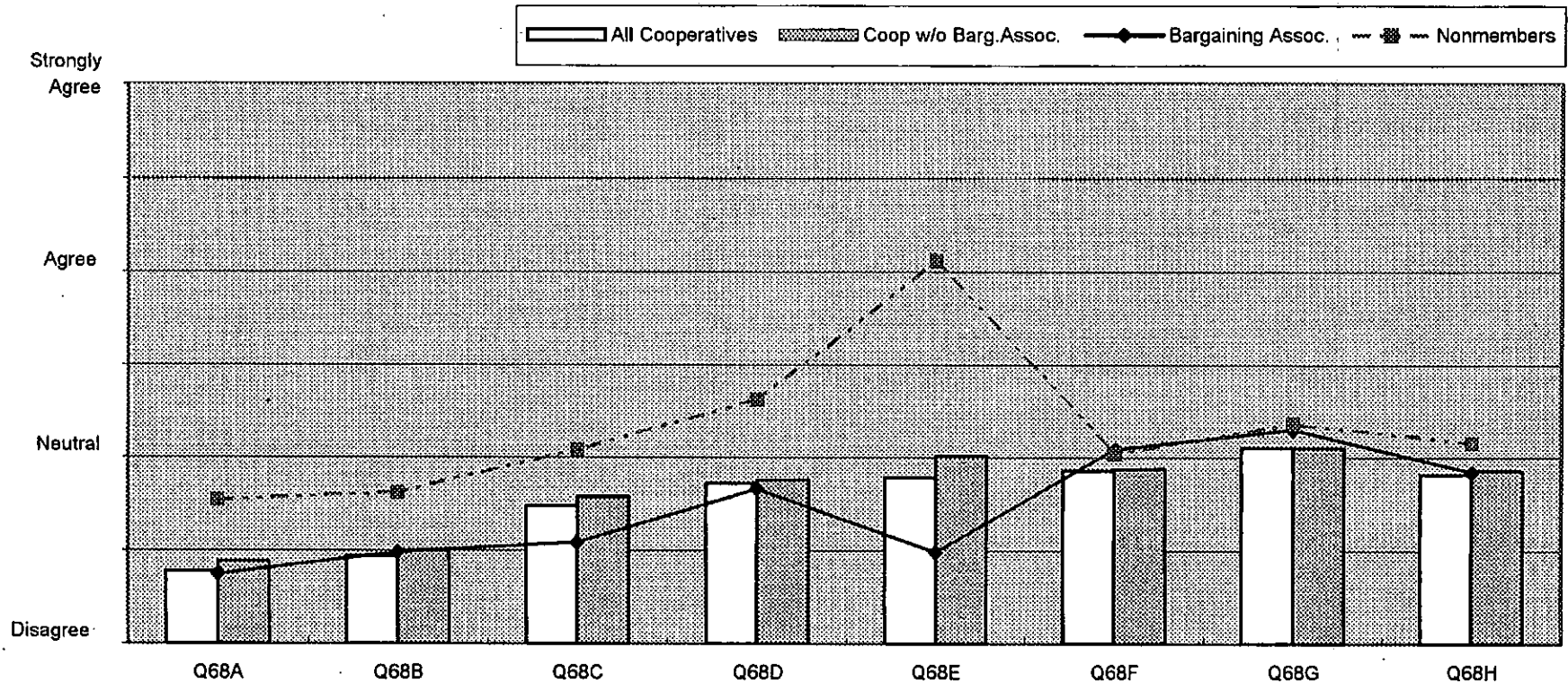


Figure 17. Question 68

The members were also asked to assess the effectiveness of their cooperative's various communication activities (question 70). They ranked newsletters and other cooperative publications as the most effective sources of communication, and identified annual meetings as being

the least effective communication mode. When asked to identify their own information sources for production and marketing decisions, the members ranked their cooperative's field representative as being their likeliest source of such information (question 69).





Communication

(Continued)

69. I receive information affecting production and marketing decisions from the following sources (Rank from 1=most likely source to 11=least likely source):

- A. My cooperative's field representative
- B. Farm suppliers
- C. Lenders/bankers

- D. Farm advisors
- E. University
- F. Private consultants
- G. Industry publications
- H. General farm publications
- I. Newspapers
- J. The local coffee shop

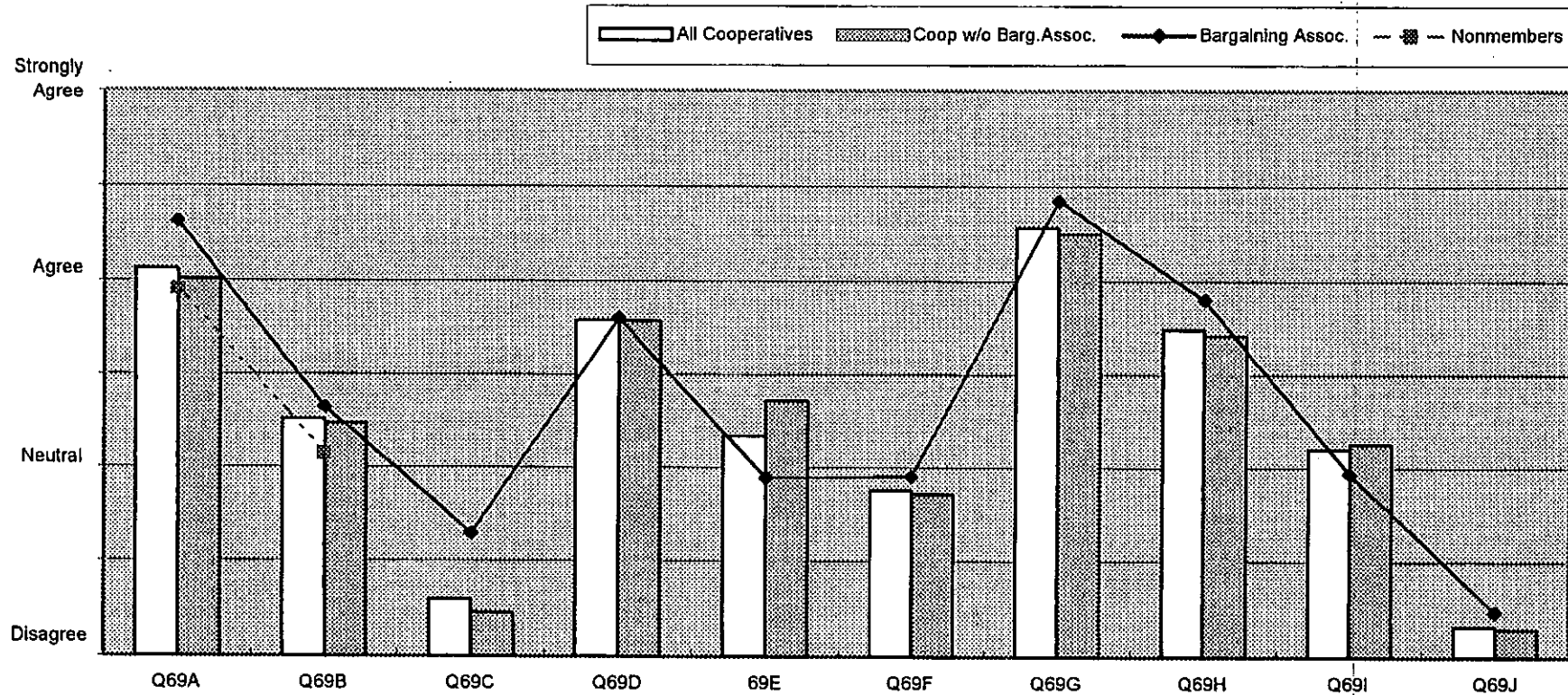
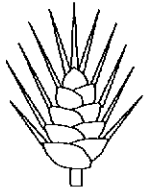


Figure 18. Question 69



Communication

(Continued)

70. The most effective way for my cooperative to communicate with me is through the following (Rank from 1=best to 7=least best):
- A. Annual meetings
 - B. Field representatives
 - C. Regional grower meetings
 - D. Grower liaison committee members
 - E. My cooperative's publications
 - F. Letters/newsletters
 - G. Commodity industry publications

71. What is the overall performance rating you would give your cooperative in meeting your needs as a producer? (Circle one: A=excellent; B=good; C=average; D=below average; F=poor).

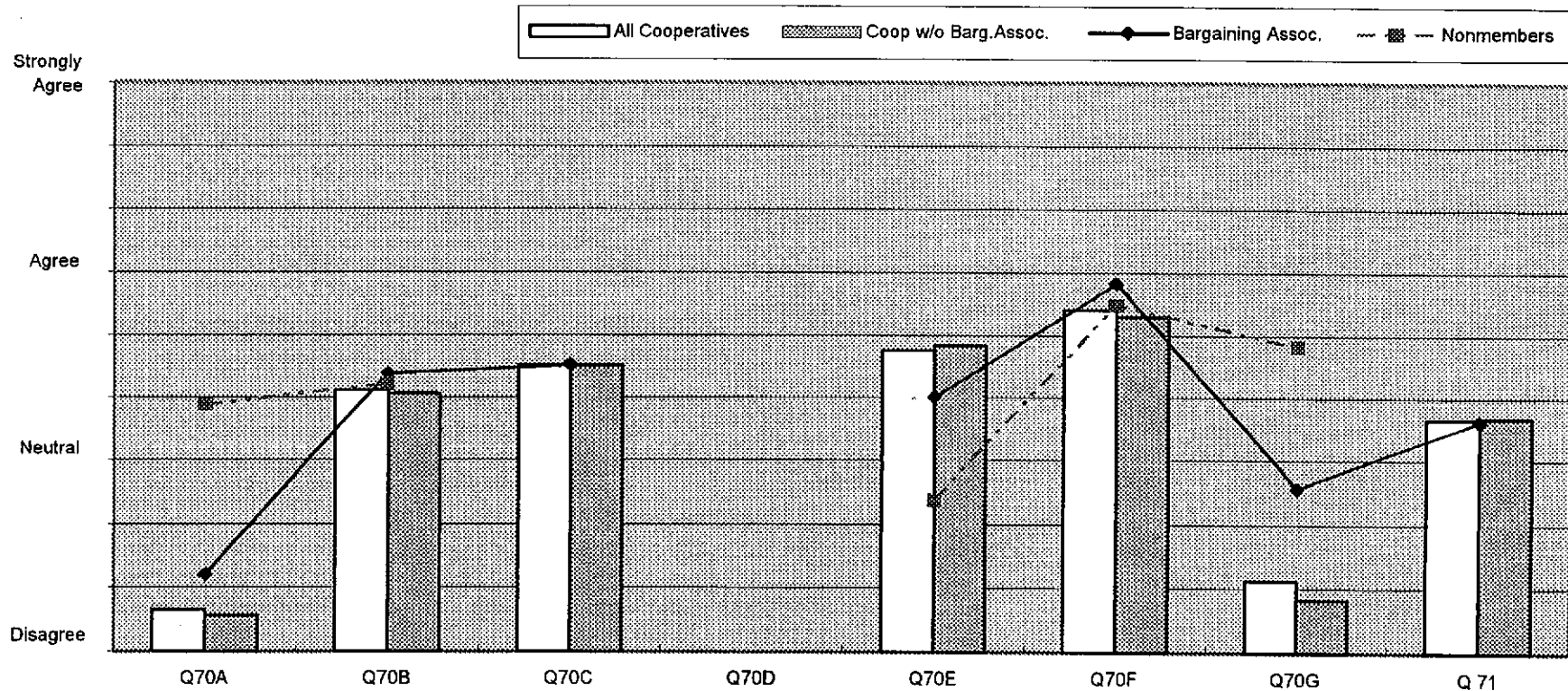


Figure 19. Questions 70 and 71



Survey Methodology

Of the 3,000 questionnaires mailed to producers in February and March of 1991, some were mailed directly from the University of California while others were mailed from the participating cooperative. How the questionnaires were to be mailed was dependent on each cooperative's relationship to its members, and the desire to get a maximum return. In some cases, it was felt that a mailing directly from the University of California would elicit a more favorable response, while in others it was felt that a mailing from the cooperative would elicit a more favorable response. Of the 2,500 questionnaires mailed to cooperative members, 830 were returned (33.2%). The return rate among individual cooperatives ranged from 55.8% to 16.6%.

Reasons for the low response rate varied. It was hoped that a high response rate would be encouraged by sending the questionnaires along with a letter from the president or chief executive officer of the cooperative involved. However, the timing of the survey probably had an impact on response rates from some cooperatives. The survey period, February-March 1991, took place after a devastating freeze hit California which destroyed a large percentage of the citrus and avocado crop. In addition, farmers were facing drastic reductions in amounts of water

due to a continuing drought. It should be noted that because of the freeze and drought some of the answers may be biased.

The response from nonmembers was only 19.2%. It was anticipated that nonmember response would be lower than that for members, because nonmembers, by definition, have significant reason not to be cooperative members, and, hence, would not have the interest or motivation to fill out the questionnaire.

Sample

From the participating cooperatives, a sample of members and nonmembers was developed that reflected a cross-section of California agriculture. A total of 2,500 cooperative members and 500 nonmembers were selected to participate in the survey. The responses from the nonmembers were intended to be checkpoints to determine whether any significant variance in answers occurred.

The basis used to allocate the number of names from each cooperative was as follows:

The 2,500 cooperative sample was allocated into two equal parts of 1,250, one of which was divided by 12 to give each cooperative a base number of 104. To this number was added another from the second part of the sample, which was



determined proportionately to each cooperative's number of members compared to the total membership of the twelve. Combining these two numbers resulted in drawing a sample from each cooperative of the following numbers: Blue Diamond (352), Butte County Rice Growers (126), Calavo (228), Calcot (290), Cal West Seeds (133), California Canning Peach Association (136), California Tomato Growers Association (120), Dairyman's Cooperative Creamery (118), Raisin Bargaining Association (221), Sunmaid Growers (189), Sunkist Growers (423), and Tri Valley Growers (147). Similarly, a sample of nonmembers was constructed using the same principles as for cooperative members. Each cooperative was then asked to supply names by taking every *n*th name from its member and nonmember list, where *n* was a number equal to a cooperative's total membership divided by the number of names to be supplied. (e.g., for Blue Diamond provided every 5,000/552 or 14th name from its membership list).

Because of the way the sample was constructed, it should not be construed as being representative of all cooperative members or nonmembers in California, or necessarily of those cooperatives involved in the survey. The results can be construed to indicate some trends, from which conclusions can be drawn based on

other data and knowledge that are available. It is most likely that the survey results are biased; however, without additional knowledge about the total population from which the sample was drawn, it is difficult to estimate the degree and direction of bias.

The questionnaire used in the survey was based on the principles of cooperation; changes taking place economically, politically, and structurally that affect cooperatives and its members; and communication needs. Each cooperative had a questionnaire tailored to its individual membership, with a number of questions unique only to it. Each cooperative's questionnaire, however, centered on common questions and themes central to the survey. Each questionnaire was divided into five parts. The first part provided general background information on each individual; the second part dealt with the respondents' knowledge about the principles of cooperation (refer to pages 12 thru 19 for a more detailed discussion); the third dealt with knowledge about the goals and performance of cooperatives; the fourth part dealt with legislative and government relations issues; and the fifth and final part dealt with issues relating to communication with producers.

The questionnaire was six pages long with 71 questions. Responses were in one



of three forms. For most questions, respondents were asked to record varying degrees of agreement with a particular statement. Six categories were given, *from strong agreement to don't know*. For some other questions, respondents were asked to rank given items. In a third set of

questions, respondents were asked to provide a grade that reflected how well the cooperative performed in that category. While it was not intended to be tedious and complex, many respondents said that the questionnaire took at least an hour to complete.





Participating Cooperatives

The cross-section of cooperatives used in this survey doesn't necessarily represent the whole of California agriculture. However, it does represent a cross-section of California agriculture's diversity and cooperative structure. Included within the survey were cooperatives that varied in capital intensity, volume, dollar sales, focus of activities, commodities represented, geography, and involvement with government programs.

A brief discussion of each cooperative follows.

Blue Diamond

Blue Diamond is an almond marketing cooperative. It has 5,000 members and markets about 45% of California's almond crop. Its 1991 sales amounted to \$424 million. The total gross farm value of almonds in California was \$591.6 million in 1990. Over 70% of the crop is exported. The almond industry has a federal marketing order that provides marketing and production research programs for the industry and market allocation of supply for stabilization purposes. The industry is located primarily in the Sacramento and San Joaquin Valleys. California produces almost 100% of the almonds grown in the United States. Blue Diamond publishes a grower-oriented magazine, *Almond Facts*.

Butte County Rice Growers

Butte County Rice Growers is primarily a supply cooperative, with 420 members and \$9.5 million in sales in 1990. It also has a small drying cooperative. Its members market their rice either through two other cooperatives in the rice industry (Farmers' Rice and Rice Growers Association of California) or two non-cooperative companies. The rice industry has a state marketing order for research. Most rice farmers produce rice in California under the federal price support program for rice, which is instrumental in supporting farm income. California produces nearly 20% of the rice in the United States, with a gross farm income of \$190.2 million in 1990. Almost 25% of the rice produced in California is exported.

Calavo

Calavo is a marketing cooperative for avocados. Most of its sales go into the fresh market, but it has been developing a processing capability as well. It has 2,325 members and its 1991 sales were \$132.5 million. The gross farm product for California avocados in 1990 was \$239.4 million with exports accounting for only 4% of sales. California produces over 75% of the avocados in the United States. The



avocado industry has a state marketing order for marketing programs and production research. If the North American Free Trade Agreement is approved, avocados could face significant competition from Mexican-produced avocados.

Calcot

Calcot is a marketing cooperative that markets growers' cotton after it is ginned. It has 3,500 members and had \$674 million in sales in 1991. Growers may have their cotton ginned at either a cooperative gin or a non-cooperative marketing company. Hence, growers may be members of both a cooperative gin and Calcot. Cotton is the largest crop grown in California, on 1.1 million acres with a gross farm value of \$1.2 billion in 1990. While there is no marketing order for California cotton, a large portion of it is produced under provisions of the federal farm price support program for cotton. The crop is mostly produced in the southern San Joaquin Valley from Merced to Kern Counties, and it is affected by federal and state water project allocations. In addition, cotton is a heavy user of pesticides. Hence, California cotton is very sensitive to water and pesticide policies and regulations. California produces almost 20% of the U.S. cotton crop, with over 70% of it exported. Calcot produces a quarterly publi-

cation for members; *Calcot News*, and a weekly newsletter, *Calcot Cotton Capsules*, written for Calcot directors and gin managers.

Cal West Seed

Cal West markets seed crops for its members. It has 536 members and had \$40.9 million in sales in 1990. Its membership is multi-state. Sales of its products are on an international basis. Total gross farm income from seed crops is not reported; however, the total for alfalfa seed in 1990 was \$50.5 million.

Dairyman's Cooperative Creamery Association

Dairyman's is a processing and marketing cooperative with membership of 256 and 1991 sales of \$500 million. In addition to marketing its members' milk, it also provides feed and other supplies for its members' production. Milk is the leading agricultural commodity in California, with a 1990 gross farm value of \$2.6 billion. Only 2.5% of milk and milk products produced in California is exported. California accounts for about 14% of the total U.S. milk supply. The milk industry in California operates under a state marketing order that sets minimum prices and a pooling arrangement for distribution of market revenues from sales of milk to



handlers. In addition, another state marketing order provides for promotion and research activities. Milk production is supported under a federal milk price support program.

Sunkist

Sunkist is a marketing and processing cooperative that markets primarily fresh and processed citrus, with sales of \$920 million in 1991. It has 6,000 members and is a complex arrangement of packing houses and district exchanges. Members' fruit is packed through either a cooperative packing house or a noncooperative packing house. These houses are members of a district exchange, which is represented on the Board of Directors. Gross farm income from citrus production in California amounted to nearly \$900 million in 1990. Oranges accounted for \$562.4 million with 25% exported; lemons accounted for \$237.8, with 30% exported; and grapefruit accounted for \$80.4 million with nearly 20% exported. The citrus industry operates under three federal marketing orders. The "prorate" provisions of the orange marketing orders, which allocate supply on a weekly basis over the year, have generated considerable controversy both inside and outside the industry. California produces nearly 40% of U.S. orange produc-

tion, 85% of U.S. lemon production, and 20% of U.S. grapefruit production. Sunkist produces *Sunkist Magazine*, which is sent to its members.

Sun-Maid

Sun-Maid is a raisin processing and marketing cooperative with membership and production primarily in a 50-mile radius of Fresno. It is also a member of Sun Diamond, which provides sales, distribution, and related functions. (Other members of Sun Diamond are Sunsweet Prunes, Diamond Walnut, and Valley Fig.) Its 1991 sales were \$179 million, and it has 1,600 members. Gross farm value of California raisins was \$546.7 million in 1990, with 33% exported. The industry operates under both a federal marketing order, The Raisin Administrative Committee (RAC), and a state marketing order, the California Raisin Advisory Board (RAB). RAC provides for an orderly marketing program, minimum grade and size regulations and inspections, and market research and development projects. RAB provides for advertising, promotion, and research. California produces 99% of the raisins in the United States. The industry also has a bargaining association, which was included in the survey and is discussed next. A quarterly magazine, *Sun-Diamond Growers*, includes news about Sun-Maid and is sent to its members.





Raisin Bargaining Association

The Raisin Bargaining Association represents 2,200 member producers in the California raisin industry. In addition to negotiating prices for its members' raisins, it also provides them a number of services. It represents them in government relations as well as in dealing with the packers in the industry, who are not a cooperative.

Tri Valley Growers

Tri Valley Growers is a multiple commodity fruit and vegetable processing firm with 800 members. It is a dominant force in the industry and competes in a global market. Its 1991 sales were \$825 million, placing it in the ranks of the Fortune 500's largest firms in the United States. It has a number of profit-making subsidiaries, which include S&W Foods, Oberti Olives, and Valley Fork Lift. Three separate associations bargain for the commodities processed by Tri Valley. Two of these associations are included in the study and are described below.

California Canning Peach Association

The California Canning Peach Association has 600 members and represents its members in all aspects of processing and marketing cling peaches. In addition

to bargaining for price, it engages in market promotion and development of new markets. In addition, Tri Valley and Del Monte Foods dominate peach processing. The canning peach industry operates under a state marketing order, which provides funds for advertising, promotion, and research. At one time, the peach industry had a supply control program that was highly controversial. There is considerable debate and discussion in the industry on how to keep supplies in line with market demand. The farm value of California processed peaches is \$102 million. A magazine, *Cling Peach Review*, and a monthly newsletter, *Peach Fuzz*, are sent to California Canning Peach Association members.

California Tomato Growers Association

The California Tomato Growers Association has 300 members and represents them in all aspects of processing tomatoes. While the tomato processing industry is not as concentrated as the peach processing industry, the firms in the industry, in addition to Tri Valley, are large, multi-national, and have global marketing strategies. The processed tomato industry has a farm value of \$617 million in production and also operates under a marketing order. Tomato growers tend

to have larger acreages than growers of fruit and nut crops. They also tend to grow other field crops as well. A monthly maga-

zine, *The California Tomato Grower*, is sent to California Tomato Growers Association members.





Principles of Cooperation

In 1957, H.E. Erdman and J.M. Tinley published a leaflet, "The Principles of Cooperation and Their Relation to Success or Failure." A close reading of this publication reveals a number of principles relating to cooperatives based on the Rochdale Principles and updated to correspond with the time of the writing. These principles are:

- open membership
- democratic control
- distribution of savings to patrons
- limited returns on capital
- political or religious neutrality
- cash trading
- promotion of education
- need for the association
- scope of activity
- continuous expansion
- suitable corporate and financial structure
- suitable records, accounts, and audits
- competent management
- dynamic leadership

The first four principles set cooperatives apart from other forms of business. The open membership principle is variable in form and is not important as a success factor. Democratic control varies from the principle of "one person, one vote" to voting based on patronage. The distinguishing feature is that it is the patrons, not the equity holders, who vote in

matters concerning the cooperative. The distribution of savings to patrons is another distinguishing feature and is usually accomplished in proportion to transactions. The final one of the four, limited returns on capital, is a basic characteristic; it means that instead of returning the profits of the business according to how much capital is put up, they are returned in the form of patronage dividends.

Political and religious neutrality is meant to keep the success or failure of the cooperative from being linked to political changes. As will be seen in later discussion, this principle has been modified in current times. The principle of cash trading relates to giving credit to members as well as financing the cooperative, and places greater priority on equity financing than debt financing. This principle also applies to other forms of business.

The promotion of education is a principle on which many cooperatives, once placed great priority but which today is given low priority. It is important, however, in maintaining a cooperative's growth and continuity. The need for an association of members must be explicitly defined. This need is usually in the form of reducing costs, improving prices, and/or providing services. It is often interpreted as meeting or beating the competition.



The principle of having an adequate volume of activity relates to economies of scale as well as to market power. This does not mean that large firms are better than small ones; it means that a critical mass is necessary to maintain business. Scope of activity has two dimensions: efficiency through specialization and economies of scale. Some firms are successful by limiting their scope so that they specialize in one area. Others are successful by broadening their scope so as to take advantage of economies of scale and other size advantages. Continuous expansion should not be interpreted to mean that its lack will lead to decline, but rather that operations of a cooperative are adjusted to new conditions as they occur. It really refers to flexibility of operations to take advantage of opportunities.

A suitable corporate and financial structure means that a cooperative must operate appropriately in regard to voting and the distribution of savings. It also means that if financing is necessary from outside sources in addition to patron equity, there will be no loss of control by the membership. Finally, a suitable structure ensures an automatic and gradual shift of voting and ownership rights. Suitable records, accounts, and audits are necessary for proper financial and mem-

bership accounting, and they function in a cooperative as in any other business.

Competent management is a key factor in the success of any organization. It is a major responsibility of the board of directors of any organization to select competent management and hold it accountable for achieving the goals of the organization. However, the characteristics of competent management are intangible and not easy to identify.

Dynamic leadership is also a major responsibility of the board. Many organizations are successful because of the leadership of one individual; when that person leaves, the organization falls apart. Organizations that are successful will have programs for developing leadership potential in the organization and spreading that leadership throughout the organization. By doing so, an organization can ensure that it has a reservoir of competent leadership to accommodate growth as well as succession.

Since 1957, when Erdman and Tinley wrote their publication, many changes have taken place in the environment in which cooperatives operate. These changes don't invalidate the principles that Erdman and Tinley identified, but they do mean that some additional interpretation and weighing are necessary for their application to current problems.



Conclusion

The results of the survey suggest rather strongly some significant areas that need attention by cooperatives if they are to compete with other forms of business enterprise. Members' responses indicated that they were looking for protection from the marketplace and regulatory forces, rather than wanting their cooperative to develop market opportunities. It is ironic that, while wanting a home for their product and expecting competitive returns, producers are hesitant to invest in forward-looking activities such as marketing which will enhance their ability to survive. Their inability to understand the basic realities of market competition, particularly in an international arena, may well cost them the home for their product that they desire. Instead, producers are basing their survival on the belief that they need to be the low-cost producer of their product. While low cost is important, the battle for survival will be fought in the marketplace, which will require significant investment to maintain market share if not increase it.

The financing of cooperatives' marketing efforts and programs will require not only understanding of members, but their financial commitment as well. It is essential for them to understand and realize that an

investment in the cooperative, particularly in marketing activities, yields a return on their investment. This return, which is not directly accountable, is as important to producers as the directly accountable return on their farming operation. Their moderate support of the user-benefit and user-controlled principles, and the lack of strong support for (or, possibly, understanding of) the user-financed principle, signal a critical need for member education about the unique features of cooperatives.

In order to compete effectively in a constantly changing environment, cooperatives must look beyond their production-driven objectives. Even firms that embrace a low-cost producer strategy must be aware of and responsive to market forces. Those who fail to do so will not survive. A cooperative that primarily provides an outlet for its members' production and secondarily fights against environmental regulations does not develop opportunities for its membership; it is merely reacting to the forces around it. Eventually, its strongest members will affiliate themselves with more progressive entities and the cooperative will slowly lose its position of leadership and ability to provide its members with a competitive return.





Appendix

Summary of Survey Responses

The following table presents numeric values from the questionnaire. Questions 11, 50, 51, 52, 53, 54, 55, 66, 69, and 70 require a ranking of alternatives; the lower the number, the higher the ranking. Questions 12-49 and 56-65 require an indication of degrees of agreement or disagreement with the statement made; the lower the number, the greater the degree of agreement. Questions 67, 68, and 71 require a grade of A to F. The higher the number, the better the grade; e.g., A=4.0; F = 0.0.

Question	All Cooperatives	Cooperatives		
		Without Bargaining Association	Bargaining Associations	Non Members
11A	2.93	2.71	3.99	3.36
11B	2.89	2.96	2.57	3.53
11C	2.49	2.69	1.72	2.82
11D	3.24	3.32	2.88	3.63
11E	3.60	3.53	3.93	4.30
11F	4.83	—	4.83	4.73
Cooperative Principles				
12	2.70	2.75	2.48	2.42
13	2.33	2.37	2.17	2.64
14	2.26	2.23	2.39	2.66
15	3.41	3.45	3.22	3.37
16	3.12	3.12	3.13	2.98
17	1.80	1.80	1.77	1.83
18	2.65	2.65	2.69	3.01
19	2.32	2.30	2.42	2.08
20	2.04	2.08	1.84	1.88
21	3.43	3.43	3.46	3.17
22	2.96	2.93	3.09	2.80
23	2.15	2.16	2.12	2.32
24	2.15	2.15	2.15	2.35
25	2.34	2.41	2.02	2.47
26	1.79	1.86	1.47	2.07
27	3.80	3.80	3.80	3.51
28	2.59	2.65	2.30	2.41





Question	All Cooperatives	Cooperatives Without Bargaining Association	Bargaining Associations	Non Members
Goals and Performance				
29	3.12	3.13	3.09	3.10
30	1.48	1.47	1.56	1.73
31	2.01	2.00	2.07	2.68
32	—	—	—	—
33	2.26	2.25	2.34	2.31
34	2.39	2.39	2.42	2.27
35	2.72	2.65	3.02	2.29
36	2.41	2.38	2.57	2.95
37	3.55	3.58	3.42	3.32
38	2.26	2.23	2.39	2.36
39	3.18	3.20	3.12	3.19
40	2.12	2.11	2.16	1.99
41	1.48	1.47	1.52	1.45
42	3.27	3.35	2.84	3.04
43	3.09	3.10	3.06	2.94
44	2.62	2.62	2.59	2.88
45	2.14	2.17	1.98	2.79
46	2.24	2.28	2.09	—
47A	2.67	2.70	2.55	2.11
47B	2.87	2.96	2.52	2.77
47C	3.43	3.51	3.15	3.80
47D	2.83	2.84	2.80	2.42
47E	—	—	—	—
48	3.47	3.49	3.39	—
49	3.33	3.33	—	—
50A	1.89	1.91	1.80	—
50B	1.97	1.91	2.30	—
50C	2.48	2.41	2.84	—
50D	4.45	4.48	4.30	—
50E	3.85	4.02	3.16	—
50F	5.51	5.50	5.58	—
51A	3.02	2.83	4.30	3.52

Question	All Cooperatives	Cooperatives Without Bargaining Association	Bargaining Associations	Non Members
Goals and Performance (continued)				
51B	1.98	1.80	2.88	2.04
51C	2.89	2.89	2.79	3.42
51D	2.79	2.97	3.94	3.12
51E	4.62	4.20	4.78	3.86
51F	6.29	5.99	6.73	5.44
51G	—	—	8.14	—
51H	—	—	—	—
51I	—	—	—	—
52A	3.68	3.55	4.45	3.04
52B	3.13	2.96	4.12	2.92
52C	3.15	3.14	3.19	3.10
52D	2.62	2.59	2.76	3.30
52E	3.03	3.11	2.64	3.02
52F	4.39	4.69	2.98	4.98
52G	—	—	—	—
53A	3.24	3.15	3.71	3.15
53B	2.44	2.23	3.60	2.12
53C	2.62	2.67	2.34	2.71
53D	3.32	3.31	3.35	4.15
53E	3.69	3.86	2.79	3.59
53F	4.87	4.94	4.50	4.82
53G	—	—	—	—
54A	3.86	3.69	4.79	4.71
54B	4.35	4.30	4.62	5.25
54C	1.81	1.80	1.88	1.90
54D	3.44	3.53	2.95	3.28
54E	4.74	4.75	4.68	4.51
54F	5.28	5.32	5.09	5.30
54G	4.98	4.94	5.21	4.76
54H	6.64	6.62	6.74	6.36
54I	6.89	6.90	6.83	6.95
54J	—	—	—	—



Question	All Cooperatives	Cooperatives Without Bargaining Association	Bargaining Associations	Non Members
Goals and Performance (continued)				
55A	3.02	2.95	3.39	3.19
55B	2.20	2.19	2.23	2.07
55C	2.43	2.45	2.31	2.11
55D	3.47	3.47	3.47	3.10
55E	3.98	4.07	3.52	3.79
55F	—	—	—	—
Legislative/Government Relations				
56	2.14	2.17	1.94	2.22
57	1.94	1.91	2.08	2.23
58	2.23	2.30	1.92	2.49
59	3.33	3.36	3.17	3.39
60	1.75	1.76	1.71	2.10
61	2.04	2.02	2.12	—
62	2.17	2.16	2.24	—
63	2.14	2.18	1.98	2.24
64	2.55	2.59	2.39	2.36
65	2.70	2.76	2.44	2.50
66A	2.92	2.86	3.22	2.51
66B	3.00	2.98	3.12	2.62
66C	4.82	4.74	5.22	5.28
66D	5.35	5.35	5.34	5.04
66E	5.56	5.43	6.15	5.76
66F	6.31	6.24	6.62	6.36
66G	5.83	5.98	5.12	6.00
66H	5.04	5.12	4.64	4.82
66I	6.85	6.82	6.95	7.44
66J	6.65	6.68	6.49	6.84
66K	—	—	—	—
67A	3.23	3.18	3.22	2.80
67B	2.28	2.31	2.04	1.70
67C	2.96	3.05	2.75	2.41



Question	All Cooperatives	Cooperatives Without Bargaining Association	Bargaining Associations	Non Members
Legislative/Government Relations (continued)				
67D	3.17	3.24	2.42	2.17
67E	2.89	2.91	2.66	2.66
67F	2.71	2.77	2.34	2.20
Communications				
68A	3.11	3.06	3.13	2.73
68B	3.03	3.00	3.01	2.69
68C	2.76	2.71	2.96	2.46
68D	2.64	2.62	2.67	2.19
68E	2.61	2.49	3.01	1.44
68F	2.57	2.56	2.46	2.48
68G	2.45	2.45	2.35	2.32
68H	2.59	2.57	2.58	2.42
69A	3.88	3.99	3.38	4.09
69B	5.49	5.53	5.35	5.86
69C	7.41	7.55	6.71	—
69D	4.42	4.43	4.40	—
69E	5.67	5.28	6.12	—
69F	6.25	6.28	6.10	—
69G	3.44	3.50	3.16	—
69H	4.52	4.58	4.20	—
69I	5.80	5.75	6.07	—
69J	7.69	7.72	7.54	—
70A	4.67	4.72	4.40	3.06
70B	2.94	2.97	2.81	2.89
70C	2.74	2.74	2.74	—
70D	—	—	—	—
70E	2.62	2.58	3.00	3.81
70F	2.30	2.35	2.09	2.26
70G	4.44	4.58	3.72	2.59
71	3.17	3.16	3.19	—



