

## IV.1 Cooperatives

**T**hroughout the 20<sup>th</sup> century, agricultural cooperatives, owned and operated by their members, significantly served California farmers in purchasing inputs and marketing their products. In 1997, 185 farmer-owned cooperatives were operating in California, down from 356 in 1965. California-based agricultural cooperatives range in size from a few thousand dollars of annual sales to over \$1 billion.

- Net business revenue transacted by farmers through cooperatives has grown rapidly in recent decades, even as the number of cooperatives and total memberships decreased. However, adjusted for inflation to 1996 dollars, revenue fluctuated between 1965 and 1985 and has been relatively stable since 1989.
- In 1997, there were 56,715 memberships in California farmer cooperatives, a number equivalent to about 77% of all farms in the state. However, it is not uncommon for a farm to have memberships in more than one cooperative. Membership has fallen by 37% since 1965, while the number of California farms has fallen by 8%.

TABLE 40

### Farmer Cooperatives in California\*, 1965-1997

Year	Number Headquartered in California	Total Membership	Net Business Revenue** \$1,000	Net Business Revenue** (in 1996 dollars) \$1,000
1965	356	89,720	1,798,974	7,501,679
1975	277	85,285	3,922,342	9,715,424
1985	233	70,958	5,770,650	7,793,459
1989	202	64,462	7,448,146	8,913,053
1991	194	70,538	8,014,370	8,928,776
1993	200	65,485	8,349,151	8,866,770
1995	192	59,551	8,890,968	9,055,079
1997	185	56,715	9,108,671	8,959,764

\*Includes marketing, farm supply, and related service cooperatives.

\*\*The value at the first level at which cooperatives transact business for farmers.

Source: USDA, National Agricultural Statistics Service, *Agricultural Statistics*, various years.

- In 1997, marketing cooperatives accounted for about 63% of California's farm cooperatives, about 67% of their membership and about 90% of their net business revenue. About 65% of marketing co-ops represented fruits, vegetables or tree-nuts.

TABLE 41

**California Farmer Cooperative Types, 1997**

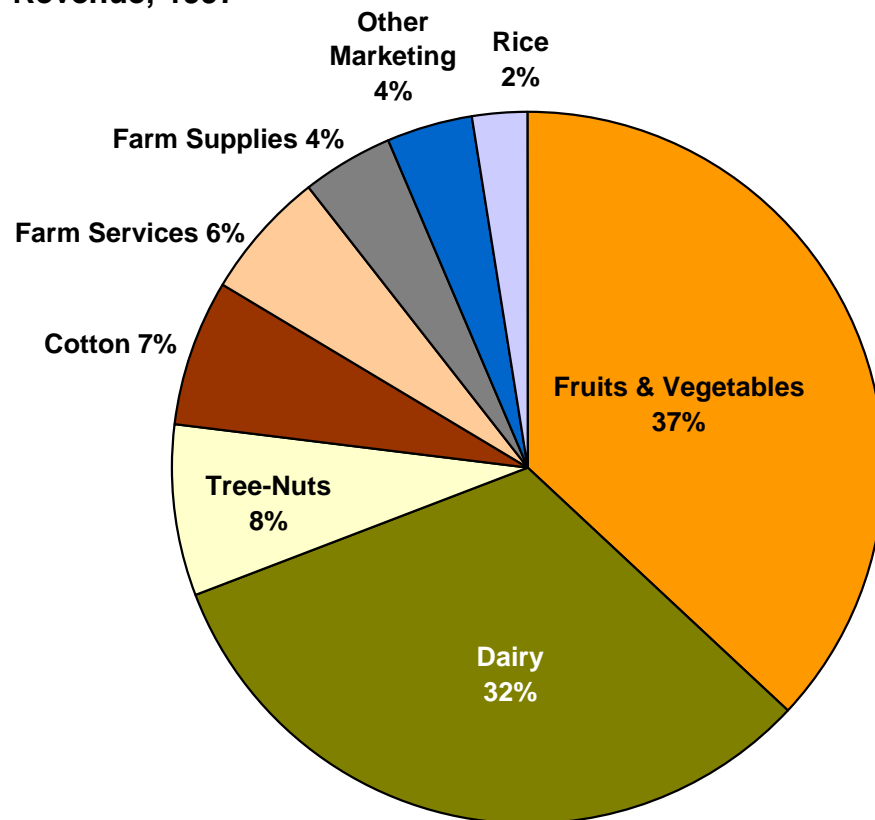
Commodity	Headquartered in California	Memberships
Fruits & Vegetables	71	20,439
Other	17	3,859
Dairy	10	1,774
Nuts	5	6,771
Rice	5	1,978
Beans & Peas, Dry Edible	3	762
Cotton	3	2,187
Poultry	3	83
<b>Total Marketing Cooperatives</b>	<b>117</b>	<b>37,853</b>
<b>Service Cooperatives</b>	<b>48</b>	<b>3,904</b>
<b>Farm Supply Cooperatives</b>	<b>20</b>	<b>14,958</b>
<b>Total Cooperatives</b>	<b>185</b>	<b>56,715</b>

Source: USDA, Rural Business-Cooperative Service, *Farmer Cooperative Statistics, 1998*.

■ Fruits, tree-nuts and vegetables accounted for about 45% of cooperatives' net business revenue, and dairy products for 32%.

FIGURE 56

**California Farmer Cooperatives by Share of Net Business Revenue, 1997**



Source: USDA, Rural Business-Cooperative Service, *Farmer Cooperative Statistics*, 1998.