# UNIVERSITY OF KENTUCKY

## COLLEGE OF AGRICULTURE

**Extension Division** 

THOMAS P. COOPER, Dean and Director.

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# THE COOPERATIVE BULL ASSOCIATION IN KENTUCKY

Ву

E. M. PREWITT

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## CIRCULAR NO. 122

# The Cooperative Bull Association in Kentucky. By E. M. PREWITT

A Cooperative Bull Association is an organization of dairy farmers or others who own dairy cows, formed for the purpose of the cooperative ownership, use and exchange of meritorious bulls of the dairy breeds. The typical association is composed of 15 to 50 farmers who jointly own from 3 to 5 bulls. Its territory is divided into different neighborhoods, communities or blocks, of a county, each unit or block being composed of approximately 30 to 50 cows. One farmer may own the 30 to 50 cows, or 30 to 50 farmers may own them; this shows that the organization is extremely flexible and can be made practical for any county in Kentucky where cows are kept either upon a small or a large scale. A purebred dairy bull is placed in each unit or block of the Association. A farmer who is centrally located is employed to keep the bull upon his farm and the members bring their cows to this farm at breeding time. The distance of members from the bull is held within reasonable bounds and does not exceed three miles from the furthermost member. A purebred bull descended from a line of dams which have produced 400 or more pounds of butter fat is placed in each unit or block. Here he is stationed for a period of two years, when an exchange of bulls is made among the several blocks comprising the Association, each bull moving to the next block. This exchange is made again at the end of two more years. Thus for an initial investment, at the time of organization, each farmer is buying an interest in three bulls, if the Association has three blocks or units, or four or five bulls, according to the number of blocks or units. In brief, a three-block Association owning three bulls insures the service of purebred bulls over a period of six years, or four blocks eight years, with one initial investment in bulls.\*

<sup>\*</sup>The Bingham cooperative Marketing Act, which became a law January 10, 1922, provides for the incorporation of Cooperative Associations. There are advantages accruing from incorporation that make it worth while to incorporate, and unless the association is incorporated under this act the word cooperative must not be used in connection with an association or club. This act is published in Extension Circular No. 115 of this College.

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By way of example, suppose the farmers of a county start out to organize a Cooperative Bull Association and the members decide to buy three bulls to cost \$250 each. Suppose that each block has 50 cows enrolled in the Association, the three blocks embracing 150 cows. An investment of \$750 will purchase three suitable bulls. Each cow is assessed \$5, which constitutes the proportionate part for each of the 150 cows. The farmer with one cow may join this Association by paying \$5.00 which would entitle him to the use of a pure-bred bull for six years; the man with ten cows will pay \$50 and join the organization. For an investment of \$50 this member is enabled to breed his ten cows to purebred sires for a period of six years. The cost of keeping these bulls should not be counted as an additional expense for the reason that the Association provides at least 50 cows to each bull, while under ordinary farm practis 6 to 8 bulls are maintained to serve this number of cows. The cost of feeding one bull is less than for 6 or 8. If it costs \$100 to keep a bull for a year, and there are 50 cows in his block, then the cost will amount to \$2 per cow annually, which is pro-rated among the members.

#### ADVANTAGES OF THE BULL ASSOCIATION

1. The formation of such pure-bred bull clubs all over Kentucky will make it possible to breed every cow to a purebred bull. The ratio existing now is 370 cows for every purebred bull. It is impossible to improve the cattle materially as long as this ratio exists.

2. It makes possible the use of fewer and better bulls. As an example, in one Bull Association recently formed, the farmers were using ten scrub bulls of an average value of \$50 to \$75. After a Bull Club was organized the scrub bulls were sold and the proceeds invested in three registered bulls costing \$250 apiece, each member's share being from \$5 to \$75, depending upon the number of cows owned. As these bulls probably will live at least six years, and if any one of them should die the members are protected by insurance, it can be said beyond doubt that these farmers have no chance of financial loss by belonging

to their Cooperative Bull Association. The pure-bred herds in this Cooperative Bull Association will benefit as much as the grade herd, because the small breeder is able to avail himself of better bulls than he could otherwise afford.

In a survey from the U.S. Dairy Division it is stated that "Information obtained from 1219 farmers owning 817 bulls showed that these farmers had an average investment in bulls of \$76. Had the owners of these cheap bulls been properly organized the same investment would have purchased the necessary bulls of an average value of \$283"(a).

3. A great advantage of an Association is the possible quick returns upon the investment. When questioned by a representative of the U.S. Dairy Division, 150 farmers in Maryland, Michigan and Minnesota who were all members of Associations estimated that the use of bulls belonging to the Association increased the value of the offspring in the first generation from 30 to 80 per cent, with an average of 65 per cent(b).

4. The chance to practis line breeding is an advantage offered by an Association. All the bulls purchased for the purpose may carry the same line of breeding.

5. A great advantage is made possible thru the fact that community breeding is encouraged. It is a recognized fact that the breeder of either grades or registered dairy cattle has a better chance to dispose of his surplus stock at higher prices when several of his neighbors are handling the same breed. This is true because a buyer desiring to purchase a carload or several carloads of dairy animals will go to a community where he can fill his order, instead of going to a place where all breeds of cattle are found and where no real progress has been made with any one of them.

6. The Cooperative Bull Association affords an opportunity for farmers to get together in meetings to discuss matters of mutual interests. These may include such points as improved feeding methods, better markets for dairy products, cooperative purchase of feeds, community advertising to sell surplus dairy

<sup>(</sup>a) Farmer's Bulletin 993, entitled "Cooperative Bull Associations," by J. G. Winkjer.
(b) Page 6, Farmer's Bulletin 993, entitled "Cooperaive Bull Associations," by J. G. Winkjer.

stock, better barns and equipment and better care and feeding of calves.

#### STEPS IN ORGANIZATION

The following agreement should be signed by each prospective member, as the first step toward organization:

Name	Number of Cows Pledged	Address

The county agricultural agent and the Extension dairy expert from the College of Agriculture will help perfect the organization.

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#### CONSTITUTION AND BY-LAWS

The following constitution and by-laws have been changed slightly from those by J. G. Winkjer, of the U. S. Dairy Division, who has had more to do with the organization of such Associations than any other man in America. They may be modified to suit local conditions.

# ARTICLES OF ASSOCIATION, OR CONSTITUTION Preamble

We, the undersigned incorporated under the provisions of act No......of the laws of the State of Kentucky, entitled\*.....

<sup>\*</sup>The Bingham Cooperative Marketing Act which became a law January 10, 1922, provides for the incorporation of cooperative associations.

do hereby make, execute, adopt and sign the following articles of association and by-laws, to-wit:

#### Article I. Name

#### Article II. Objects

Sec. 1.—Improved Stock. The purpose for which this association is formed is to bring about the rapid development of productive milk cows of good conformation of the \_\_\_\_\_\_breed. This is to be accomplished principally by the joint purchase, ownership, use, exchange, and sale of meritorious pure-bred bulls, and through the purchase and sale of cows and heifers.

Sec. 2.—Community Development. The association pledges itself to exert every possible influence for the improvement and furtherance of the live stock industry of the community.

#### Article III. Location

The principal office and place of business shall be......in the county of......., State of......

#### Article IV. Membership

Sec. 1.—Qualification. Any farmer in the township of county of and adjoining territory, owning one or more cows, may, at the time of organization, become a member of this association and be entitled to its benefits and privileges by signing and agreeing to comply with the constitution and by-laws. Any farmer who wishes to become a member after the adoption of this constitution shall, in addition to the requirements at the time of organization, make his application to the secretary of the association, stating the number of cows that he will subscribe and the block to which he desires to belong, but before the applicant becomes a member his application must be accepted by the board of directors.

Sec. 2.—Votes. Every member shall be entitled to one vote and only one. No vote by proxy shall be permitted.

Sec. 3.—Liability. The payment for bulls and of debts, not otherwise provided for in the constitution or in the by-laws of this association, shall, whenever it becomes necessary, be made by assessments levied by the board of directors. Each member shall be assessed in the same proportion to the total assessment as the number of cows he has subscribed bears to the total number of cows subscribed by all the members of the association.

#### Article V. Blocks

Sec. 1.—Blocks Defined. The term "block" in this constitution shall mean a subdivision of the association for the convenient grouping of members, so that each group, or block, shall have the required number of cows and have the exclusive use of one of the bulls of the association.

Sec. 2.—Designation of Blocks, Minimum Number. The association shall be divided into three or more blocks, and the blocks shall be designated numerically and in order.

Sec. 3.—Blocks Arranged by the Board of Directors. The subdivision of the association into blocks, the addition of new blocks, or any change in the arrangement of blocks shall be made with the approval of the board of directors.

Sec. 4.—A Bull in Each Block. Each block shall be provided with one high class pure bred bull of the breed. The majority of his immediate ancestors shall have butterfat records of at least 400 pounds a year. A bull shall be kept two years in a block and then moved to the next block, in numerical order, unless the board of directors finds that some other change or disposition of the bull is more desirable.

#### Article VI. Directors

Sec. 1.—Officers. The association shall elect a board of directors, who shall by ballot elect from their own members a president, a vice president, and a secretary-treasurer.

Sec. 2.—Number. The number of directors shall be at least five or other uneven number.

Sec. 3.—How Elected. One of the directors shall be elected from each block to serve one year, and if there are less than five blocks in the association, additional directors shall be elected at large. If the number of blocks is six or any even number higher than that, one director at large shall be elected. All directors shall be elected by all the members of the association and not by individual blocks thereof.

Sec. 4.—Names of Directors. The names of the directors to serve for the first year (or until their successors are elected and qualified)

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Sec. 5.—Vacancy. In case of a vacancy in the board of directors caused by the creation of a new block, by death, resignation, removal, or otherwise the board shall appoint a director to hold office for the remainder of the term.

### Article VII. Membership Fee and Assessments

Sec. 1.—Capital Stock. Each member shall pay to the association a membership fee of \$1.

Sec. 3.—Payment. The membership fee and each assessment levied shall be paid by the members to the treasurer of the association, whereupon the money shall be available for the conduct of the business of the association.

Sec. 4.—Minimum Number of Cows. The minimum number of cows in any block on which assessment is levied shall be.....

Sec. 5.—Notice of Assessment. Whenever an assessment is levied the secretary-treasurer shall mail a notice to each member 10 days before such assessment is due, stating the amount assessed per cow, the number of cows subscribed by the members, the total amount assessed, and the date on which the assessment shall become due. Six per cent shall be added to all assessments not paid on or before the date that such assessment becomes due. The penalties imposed shall be paid to the treasurer, together with the assessment, and shall become part of the money available for the conduct of the business of the association.

### Kentucky Circular No. 122

## Notice of Assessment of the Co-operative Bull Association (Post Office) (State) (Date) (Name) (Address) Dear Sir: Your directors have found it beneficial for the association to incur obligations as follows: Total ..... In the association the total number of cows subscribed is..... The assessment per cow amounts to \$...... You have subscribed .....cows and your total assessment is \$...... This assessment is due ....., 19......, 19....... In accordance with the constitution and by-laws of the association 6 per cent will be added to this assessment if not paid on or before..... ....., 19......

Secretary-Treasurer.

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Sec. 6.—Failure to Pay Assessment. Any member failing to pay or make satisfactory arrangement for the payment of an assessment within 30 days from the time such assessment is due and payable shall forfeit all rights as a member.

#### Article VIII. Amendments

Sec. 1.—These articles of association may be amended by a twothirds majority vote of the members present at any annual meeting.

#### BY-LAWS

#### Article I. Duties of Officers

Sec. 1.—Management. The board of directors shall have the management and control of all the business of the association, fix the compensation of the officers, make proper arrangement of blocks and membership therein, provide a bull for each block, select, purchase, and sell the bulls of the association, fix the rate of compensation for

bull service, arrange for a keeper and his compensation, and for the care and handling of the bulls.

Sec. 2.—Officers. The president, vice president, and secretary-treasurer shall have the usual functions of such officers.

Sec. 3.—Annual Report. The secretary-treasurer shall mail to each member ten days before the annual meeting a statement approved by the board of directors showing the financial condition of the association, which statement shall be acted upon by the members at the annual meeting.

Sec. 5.—Books. The secretary-treasurer shall provide, at the expense of the association, the necessary record books and blanks for the caretaker in each block.

Sec. 6.—Audit. At the annual meeting an auditing committee shall be elected by the members, which committee shall audit the books and accounts not more than 30 days nor less than a week before the next annual meeting, and shall make a report to the association at that meeting.

Sec. 7.—Service Fees. Service fees shall be fixed by the board of directors.

The service fee so fixed shall be charged to members of the association and shall be collected by the keeper of the bull at the time of service. Service fees so collected shall be turned over to the secretary-treasurer at least once every three months, together with a record of the cows served, stating date of service, the name and number of each cow, and her owner.

The regular breeding charges, determined by the board of directors, shall apply only to the number of cows subscribed by each member. If a member desires to breed more than the number of cows subscribed the breeding charge for each additional cow above that number shall be \$3.

The service fee for cows that have been subscribed by the members shall be sufficient to cover the cost of keeping the bull.

#### Article II. Meetings

Sec. 1.—Annual Meeting. The annual meeting of the association shall be held at a place to be designated by the board of directors on the \_\_\_\_\_\_\_\_ of each year for the purpose of electing members to the board of directors and for the transaction of such other business as may lawfully come before the meeting.

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Sec. 2.—Special Meetings. Special meetings may be called by the president on his own initiative; by the board of directors on their order; or by five members who sign a written request setting forth the purpose of the meeting. Notice of a special meeting shall be given by the secretary of the association by mailing a written or printed notice thereof to each member of the association at least eight days prior to said meeting. Such notice shall state the object of the special meeting, and no other business than that stated in the notice shall be transacted at that meeting.

Sec. 3.—Directors. The board of directors shall meet as occasion requires.

#### Article III. Bulls

Sec. 1.—Location and Care of Bulls. The board of directors shall designate the places for stabling the bulls. The place for stabling shall be upon premises free from tuberculosis, as indicated by the tuberculin testing of the herds maintained thereon. Each block director shall, under the direction of the board of directors, be responsible for the proper stabling and care of the bull in his block, and enforce rules and regulations that the association or board of directors may make. He shall use his best efforts to keep the bull in a strong, vigorous, healthy condition, on a sufficient and suitable ration, and with sufficient yardage to afford ample exercise in the open air, in addition to the protection of the stable. The bull shall not be permitted to run with the herd.

Sec. 2.—Bull Calf. A bull may be bought as a calf, but shall not be used for service until the board of directors so orders.

Sec. 3.—Guaranty. All bulls shall be bought with a guaranty that they will pass satisfactorily a tuberculin test administered by an official veterinarian days after delivery. No bull or other breeding animal shall be purchased from any herd in which abortion has been prevalent at any time during the preceding two years.

Sec. 4.—Segregation. The bull shall be segregated from all animals until tested and accepted. At least four disinfections shall be given the bull during the first two weeks after arrival.

Sec. 5.—Inspection. The director of each block shall inspect the herds in his block at least once every two months, and also make a report for the block to the association at the annual meeting. Should any contagious or infectious disease appear in the herd of any member, that member shall report the fact at once to the block director, and shall forfeit his right to the services of the bulls of the association until such time as a competent veterinarian declares his herd to be free from disease.

Sec. 6.—Service. The bull shall not be allowed loose with any cow which has not passed a tuberculin test satisfactorily within one

year, but shall be held upon the leash to prevent any unnecessary contact. Only one satisfactory leap shall be permitted at each service.

No bull shall serve more than two cows in a day, nor more than seven in a week, nor more than seventy-five in one year.

Sec. 7.—Breeding Regulations. The keeper of an association bull shall not allow him to be used for service of cows belonging to any member of the association who is not a member of his particular block without written permission from the board of directors, signed by the president or secretary. Service shall not be allowed to cows owned by non-members. Heifers shall not be bred to calve under 24 months of age.

Sec. 8.—Outside Breeding of Subscribed Cows. A member may breed his cows to pure bred bulls of the same breed outside the association, but in such case he shall pay \$...... to the association for each cow that is bred outside.

#### Article IV. Dividends

Any surplus in the treasury at the time of the annual meeting or at the end of the fiscal year may, by a majority vote at the annual meeting, be divided mong the members in proportion to the amount of the assessments paid.

#### Article V. Amendments

The by-laws may be amended by a majority vote of the membres present at the annual meeting or at a special meeting called for the purpose.

#### AGREEMENT

We, the undersigned, hereby adopt the above and foregoing constitution and by-laws, and jointly and severally agree to be subject to the rules and regulations thereof, and pledge for a basis of assessment according to said constitution and by-laws the number of cows set opposite our respective names.

Name	Cows Pledged Number of	Address
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