



1960

*54th
Annual
Report*

UNITED CO-OPERATIVE SOCIETY OF MAYNARD



TOIVO J. J. ERKKINEN
President



JOSEPH E. BOOTHROYD
Secretary

BOARD OF DIRECTORS - 1960

Names of Directors and Officers, left to right are:

Francis Alving, '63; Elmer W. Salenius, *Vice-President*, '61; Edward Helander, '63; Joseph E. Boothroyd, *Secretary*, '63; Toivo J. J. Erkkinen, *President*, '61; Arvo N. Rivers, *Treasurer*, '61; Emil Pitkanen, '62; Frithiof Tofferi, '61; Leo F. Mullin, '62; Fred Uljua, '62.

The year shown after each name indicates the expiration date at the annual meeting of given years. Picture taken on February 18, 1961.



COME TO YOUR CO-OP ANNUAL MEMBERS' MEETING

SATURDAY, MARCH 18th, 1961 — GEORGE WASHINGTON AUDITORIUM
(High School)

7:00 P. M. Registration

7:30 to 9:30 P. M. Business Meeting in Auditorium

- **Discuss Year-end Reports** — ask questions, get answers, state opinions
- **Elect Three Directors** — Secretary-clerk — Treasurer, by ballots
- **Act on Board Recommendations**
- **New Business**

9:30 to 10:00 P. M. Recess for coffee serving

10:00 to 11:00 P. M. Entertainment

YOUR PARTICIPATION ESSENTIAL — BE SURE TO COME

United Co-operative Society of Maynard

The Board of Directors

Joseph E. Boothroyd

Secretary-Clerk

BOARD OF DIRECTORS' REPORT

PRESENT OFFICERS AND DIRECTORS AND THEIR MEETING ATTENDANCE RECORD

TOIVO J. J. ERKKINEN, <i>President</i>	Attended 14 out of possible 14
ELMER W. SALENIUS, <i>Vice-President</i>	Attended 13 out of possible 14
JOSEPH E. BOOTHROYD, <i>Secretary-Clerk</i>	Attended 13 out of possible 14
FRANCIS ALVING	Attended 13 out of possible 14
EDWARD HELANDER	Attended 10 out of possible 10
LEO MULLIN	Attended 10 out of possible 10
EMIL PITKANEN	Attended 14 out of possible 14
FRITHIOF TOFFERI	Attended 11 out of possible 11
FRED ULJUA	Attended 9 out of possible 10

In June Douglas Eglinton resigned from the Board and Frithiof Tofferi was called to replace him.

Since the Annual Membership Meeting, held on March 19, 1960, the Board has held regular monthly meetings plus one Special Board Meeting and several sub-committee meetings. The General Manager has attended all Board Meetings and, on invitation, attended sub-committee meetings. He has submitted reports, recommendations, and current business matters in writing for the Board's consideration and has participated in discussions.

Sub-Committee Duties and Appointments

At its first meeting following the Annual Membership Meeting the Board appointed several sub-committees and, as required by the By-laws, prescribed the duties and powers of these committees.

The President, Vice President, and Secretary-Clerk were assigned to the Executive Committee. The duties and powers of this sub-committee are spelled out in the By-laws.

Sub-committees were appointed and their duties and powers prescribed as follows:

The Operating and Finance Committee — to review facts and advise the Board on policies regarding:

- a) Departmental operations
- b) Insurance protection for physical damage or financial loss
- c) Production and processing
- d) Financial reports
- e) Budgeting, sales, margins, expenses, savings
- f) Share capital matters (Public Relations Committee to assist in any campaign to raise share capital)
- g) Loans
- h) Planning and capitalizing expansions

Members — Douglas Eglinton (until resignation from Board in June, Chairman) Toivo J. J. Erkkinen (since June, Chairman), and Elmer W. Salenius (since June), from the Board, and Daniel Hardesty, Paul Smith, Jr., and Richard Venne.

The Personnel Committee — to review facts and advise the Board on policies regarding:

- a) Comparison of wage scales
- b) Payroll and compensation plans, including overtime, vacations, and related matters
- c) Job analyses
- d) Employees' training, placement, meetings, grievances
- e) Welfare, including group insurance, pension plan, etc.

Members — Francis Alving (Chairman), Emil Pitkanen, and Edward Helander.

The Public Relations Committee — to review facts and advise the Board on policies regarding:

- a) Education of members and non-members in co-operative principles
- b) Communication with members and the general public (including publicity, Co-op News, annual report, etc.)
- c) Membership meetings and other Co-op sponsored events
- d) Stimulation of members and non-members to participate in Co-op events
- e) Obtaining new members
- f) Raising share capital (in conjunction with Operating and Finance Committee)
- g) Consumer education

Members — Leo F. Mullin (Chairman), Fred Uljua, and Francis Alving, from the Board, and Vieno Heikkila, Ahti Jaakkola, Samuel Micciche, Reino Tuomanen, Roy Helander, and Norman Castle.

The Building and Property Committee — to inspect buildings and property periodically and to make recommendations to the Board for appropriate action.

Members — Francis Alving (Chairman), and Frithiof Tofferi (since June).

Supermarket

As we reported at the Semi-Annual Membership Meeting, held on October 29, 1960, we have made improvements in the Supermarket, namely, the relocation of the rear door from the receiving room into the Supermarket, the relocation of the stairway from the receiving room to the basement, and the installation of an additional 12-foot meat display case at the rear of the store.

The stairs and landing to the employees' rest rooms and second floor warehouse also have been replaced, and the outside woodwork of the store building has been painted, and broken windows have been repaired.

The former Flaherty property adjacent to the Supermarket on Main Street has been converted into an additional parking lot. This required permission to erect a 30-foot driveway from Main Street, the construction of 86 lineal feet of wall around two sides of the property, the raising of the existing catch basin up to new grade, the raising of the base of the area to new grade, "hot top" surfacing, and the installation of floodlights. We are happy to report, therefore, that we now have a third parking lot, one that is on Main Street and, consequently, more readily accessible so as to invite additional patrons.

Dairy

In our efforts to improve operations in the Dairy, we have installed electronically-controlled milk processing machinery. A new 1,000 gallon stainless steel milk storage cooler keeps our milk under proper temperature and keeps it fresh after proper clarification. This enables us to keep an adequate supply of milk at the plant. A new high temperature short time pasteurizer provides properly processed milk. Milk thus processed meets with the strictest public health requirements. With our new "Soaker Washer" we can wash and sterilize glass containers from 1/2 pint to 1/2 gallon sizes. Half-gallon glass containers are now being used for both store sales and home delivery. They are convenient to handle and save space in home refrigerators. Our equipment is now modern and labor saving. New doors have been installed in the Dairy and one door was bricked up to make room for the new equipment. To reduce costs, we also revised home delivery service by eliminating Sunday deliveries. The milk business has become very highly competitive and, therefore, to stay in it and distribute this most important food in a satisfactory manner, efficiency has become essential. It is our considered opinion that, as a result of our efforts to improve the operations of the Dairy, they have been made efficient. Moreover, the capacity of the Dairy enables us to provide milk for the entire population of Maynard and the surrounding towns, and, as this report is being written, late in January, concentrated efforts are being made to expand our Dairy services accordingly.

Oil Department

As we reported at the Semi-Annual Membership Meeting, to increase efficiency in the oil department during the busy season, we re-arranged the

loading facilities to speed up the transfer of oil from our tanks to delivery trucks.

Bakery

At the Semi-Annual Membership Meeting we reported that we were studying the possibility of re-instituting the pre-World War II service of home delivery of bakery products. The problems involved are many, and, while we would like to be able to give a definite answer as this report is being written, we are still in the process of investigating. The Board has appointed a four-member fact-finding committee on the establishment of a bakery route. This committee is composed of four members of the Board and is being assisted by the General Manager.

Regional Activities

Board member Daniel J. Hardesty and the General Manager attended the Massachusetts Retail Grocers' Association's conference on labor relations on February 24, 1960.

We were represented at the N. E. C. I. Dedication on May 21 in Framingham.

The General Manager attended the Conference of Consumers Cooperative Managers on June 6 - 10 in New York.

Board member Leo F. Mullin attended the Biennial Co-op League Congress held in Chicago September 28 - 30.

Seven of our employees attended the November 6 meeting of the Massachusetts Retailers Association.

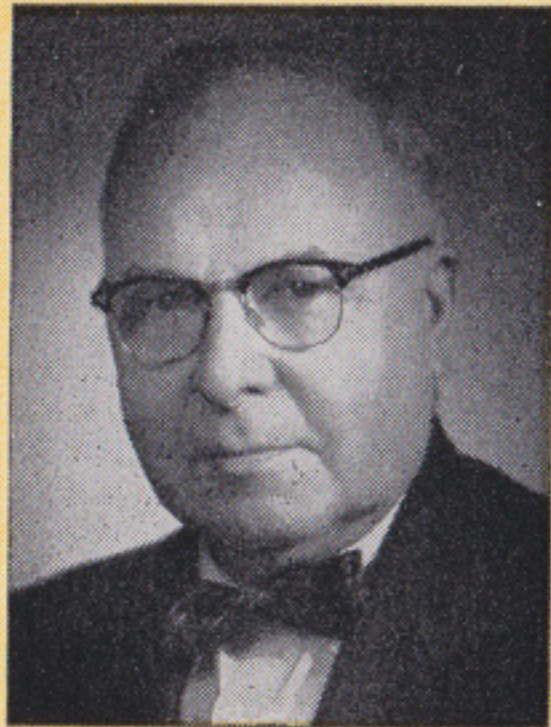
The N. E. C. I. Annual Meeting was held in Framingham on November 19th and our Co-operative had 17 delegates at the meeting.

Highlights of Activities of Public Relations Committee

- 1 — Published 8 editions of Co-op News.
- 2 — Arranged entertainment for the Annual Membership Meeting of March 19, 1960.
- 3 — Sponsored a New Members' Night on May 10.
- 4 — Awarded trophy for outstanding football player at Sports' Night Banquet.
- 5 — Sponsored Co-op Little League Baseball Team.
- 6 — Sponsored Co-op Pony League Baseball Team.
- 7 — Planned the October Social which was held in connection with the Semi-Annual Membership Meeting on October 29, 1960. Guest speaker was Ronald Erickson, Public Relations Director of the Fitchburg Co-op. His topic was "Problems in Consumer Co-operatives." Roy Helander was in charge of the musical program.
- 8 — Sponsored Children's Christmas Party.
- 9 — Arranged 3 scholarships to the Co-op Summer Institute at Hobart College.

(Continued on Page 11)

GENERAL MANAGER'S REPORT



The old tradition is that when the old year ends and the new year begins, the management makes a special effort to compile facts in order to find out the actual accomplishments of the past year's business, to evaluate his staff on the basis of achievements and then to make plans for the future.

The twelve months ending December 31st, 1960, were the 5th highest in sales in the 54 years' history of the United Co-op Society. Due to the additional five supermarkets in our trading area our sales did not exceed the previous record year in 1959, but sales of \$1,572,628. under the circumstances constitute a significant business in our small town of 7,000 inhabitants. It would have been more pleasant to report record breaking sales as has been done so many years in the past. I believe that the management and department heads have worked harder than usual although the volume was less. Special promotional schemes were tried and efforts made in creating goodwill. The office manager and the undersigned have stretched their hours beyond the regular 40 hour week in order to save expenses. The undersigned has devoted his own time in working with committees, in writing his columns in the "Co-op News" and in providing other publicity material in local newspapers, in editing and designing Annual Report Booklets, also in representing our Co-op on the Regional Wholesale Board and on its Executive Committee. Most of above work has been performed after office hours.

Savings for the year

Savings, before taxes, amounted to \$31,189.56 or 2% of sales. For details of the operational results I refer to our operating statements which will be available at the membership meeting. May I state that the Fuel Oil Department brought the best results by far. Also I wish to state that all trading departments were on a self-sustaining basis but two processing departments, namely Dairy and Bakery, showed a deficit. However, noticeable improvements were shown in the Dairy operation compared with 1959 results.

Earnings equal \$1.11 per \$5.00 share. It should be remembered, however, that the interest (dividends) on invested share capital is limited to 5% or \$5.00 on a \$100 investment — no more, no less. The balance of savings, after income taxes and proper reserves, will be returned to patrons according to customers' patronage. It appears that besides dividends to investors, a patronage dividend of \$1.50 on \$100.00 patronage is a possibility.

Processing Departments

1 — DAIRY

Our Dairy machinery had to be renewed as Vat-type pasteurizers were outmoded. This was an opportune time to make a complete modernization. Therefore a new electronically controlled system was installed with the definite objectives in mind to curtail manpower at the plant and at the same time to improve the quality of pasteurized and homogenized milk with the new processing system.

Beginning February 11th the Dairy plant is being operated with two licensed men, considerably less man power than with the old system. It is the firm opinion of the undersigned that the Dairy operations will be improved provided that plant men will give their utmost co-operation and have the courage to carry out the project as planned.

We are a little more optimistic about the future operation of the Dairy plant than in the past 5 years, although dairy businesses, small and large, are facing considerable difficulties. If members expect a better result please be loyal to your own Co-op Dairy by purchasing in the milk line nothing else but Co-op high quality milk.

2 — BAKERY

Our faithful members realize that our baked goods are of fine quality, baked in a sanitary bake shop by competent, clean bakers using nothing but good quality ingredients, but there may still be some customers in our trading area that are not aware of these facts.

Our problem seems to be that our "self-service" sales area atmosphere does not meet the approval of some housewives. During this period we began to use more attractive packages for baked goods. They are rather expensive, but let's hope that they will motivate sales. In the future when the Supermarket may be enlarged, then we shall reserve a cozy corner with neat display cases for service type bakery goods sales area plus a coffee counter. Some day that will be a reality.

General Remarks

During the past year the management has faced many problems. New competition with various "gimmicks" has reflected on our operational results. Supermarket volume was mostly affected as we did not counteract with "Carnival" like business as was done by others.

Statement on Special Expenses

In making comparison of the total expenses in 1960 with the previous year I wish to call to your attention that total expenses in 1960 were \$30,000 less than in 1959, although there were extra expenses such as painting the main building outside woodwork with a cost of \$2,217.45, parking lot #3 expenses of \$1,400.07, and expenses of Committee on Articles of Association of \$456.12. These special expenses amounted to \$4,073.64. Also I should mention that bank charges for handling checks increased to \$1,898.38. The service we render to our patrons in cashing an ever increasing number of checks is getting to be costly and to a certain extent a painful venture.

Non-operating Income

The purchase rebates received in the past year amounted to only \$227.35, while in 1959 the rebate amount was \$2,479.99. Naturally the differential is also a factor which helps bring about lower net savings.

Co-operative Gospel Needed

There are still people who lack understanding of co-operation and its value. "Co-operative" is still a strange word to many — it brings up strange and mistaken ideas of what co-operatives are and do.

With a broader understanding in many people's minds, the barrier to co-operative growth will tumble. It's a question of whether our Co-operative will allocate resources needed to tell our Co-operative story effectively to consumers and producers alike in our neighborhood.

Happenings in the world here and there and near the shores of our country make us think that there is a right and wrong way in solving social and economical problems. Extreme brutality certainly leads to war and destruction.

People the world over must abide by peaceful democratic majority procedure. The Co-op movement is based on said theory. It is worth your support and defense. Forces on the left have their agents all over the globe, and are active. Our peace-loving Co-op people have to be firm and active in defending democracy.

Under the circumstances someone may ask "What can the Co-operative do for me, and what I can do for the Co-operative?" I may state that on that basic idea and with proper team work the future success of Co-operative as well as other democratic organizations will be well secured.

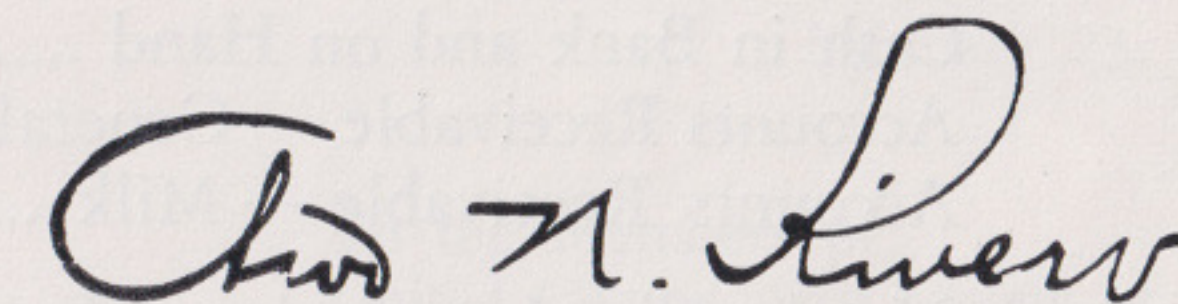
Word of Appreciation

I wish to state again that our Co-operative success and growth are due to the co-operative efforts of many people. I also wish to express my appre-

ciation: 1 — To the staff for your good co-operative sincerity during the year; your evaluation in a broad scope, considering other elements, can be judged by the departmental accomplishments. I have confidence in you and believe that you have the capacity to achieve better results in the ensuing year. 2 — To the Board of Directors for your staunch understanding of Board duties and managerial problems and your aggressive, forward-looking attitude. 3 — To the members, the sole owners of the Co-op, for your loyalty to and your confidence in the Co-op and in your Treasurer, as many of you have invested your lifetime savings in the Co-op.

I consider it an honor to have been your treasurer and general manager for 28 years.

Co-operatively submitted,



General Manager and Treasurer.

FINANCIAL REPORTS

OUR STATEMENT OF CONDIT

COMPARATIVE BALANCE SHEET

ASSETS	DECEMBER 31, 1960	JANUARY 2, 1960
Current Assets:		
Cash in Bank and on Hand	\$38,102.22	
Accounts Receivable — General	\$22,272.67	
Accounts Receivable — Milk	4,499.61	
Merchandise Inventories — For Sale	84,126.08	
Merchandise Inventories — Raw Material	3,785.16	
Prepaid Insurance	794.66	
Prepaid 1961 Truck Plates	404.00	
	<u>1,198.66</u>	
	\$153,984.40	\$169,355.47
Investments:		
United States Savings Bonds	3,962.10	
New England Co-op. Inc. Shares and Notes	28,677.35	
Preferred Stock and Rebates, U. C. F.	5,078.40	
Shares in Co-op Publishing Association	160.51	
Advance Payments	1,005.00	
	<u>38,883.36</u>	
		32,903.86
Fixed Assets:		
Delivery Equipment	47,165.12	
Machinery and Equipment	191,501.86	
Buildings	213,811.34	
Land and Improvements	82,719.23	
	<u>535,197.55</u>	
Less: Reserve for Depreciation	242,773.69	
	<u>292,423.86</u>	
		293,931.04
Other Assets:		
Deferred Building Expenses	754.00	870.00
TOTAL ASSETS	\$486,045.62	\$496,250.37

AUDITOR'S STATEMENT

J. PAUL HEIKKILA
Certified Public Accountant
109 Concord Street
Framingham, Massachusetts

February 23, 1961

To the Members of
United Co-operative Society of Maynard:
Maynard, Mass.

We have examined the balance sheet of United Co-operative Society of Maynard as at December 31st, 1960, and the related statements of operations for the year then ended. Our examination was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other procedures as we considered necessary in the circumstances.

In our opinion, the accompanying balance sheet and statements of operations present fairly the financial position of United Co-operative Society of Maynard at December 31, 1960, and the results of its operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding period.

J. PAUL HEIKKILA
Certified Public Accountant

NEW ENGLAND CO-OPERATIVES
AUDITING SERVICE

LIABILITIES AND MEMBERS' EQUITIES

Current Liabilities:

Accounts Payable — Trade	\$31,527.96	
Notes Payable (due within one year)	32,188.00	
Certificates of Indebtedness	514.07	
Payroll Taxes Payable	4,810.58	
Reserve for Other Taxes	2,400.00	
Accrued Interest	137.29	
Group and Pension Premiums	623.99	
Federal Income Tax Payable	4,801.13	
Patronage Refunds and Share Capital Interest Payable	26,201.24	

\$103,204.26

\$108,653.16

Other Liabilities:

Notes Payable (Due after one year)	97,575.00	108,900.00
--	-----------	------------

Member Equities:

Share Capital	138,275.00	\$136,485.00
General Reserve:	146,991.36	142,212.21
NET WORTH	<u>285,266.36</u>	<u>278,697.21</u>

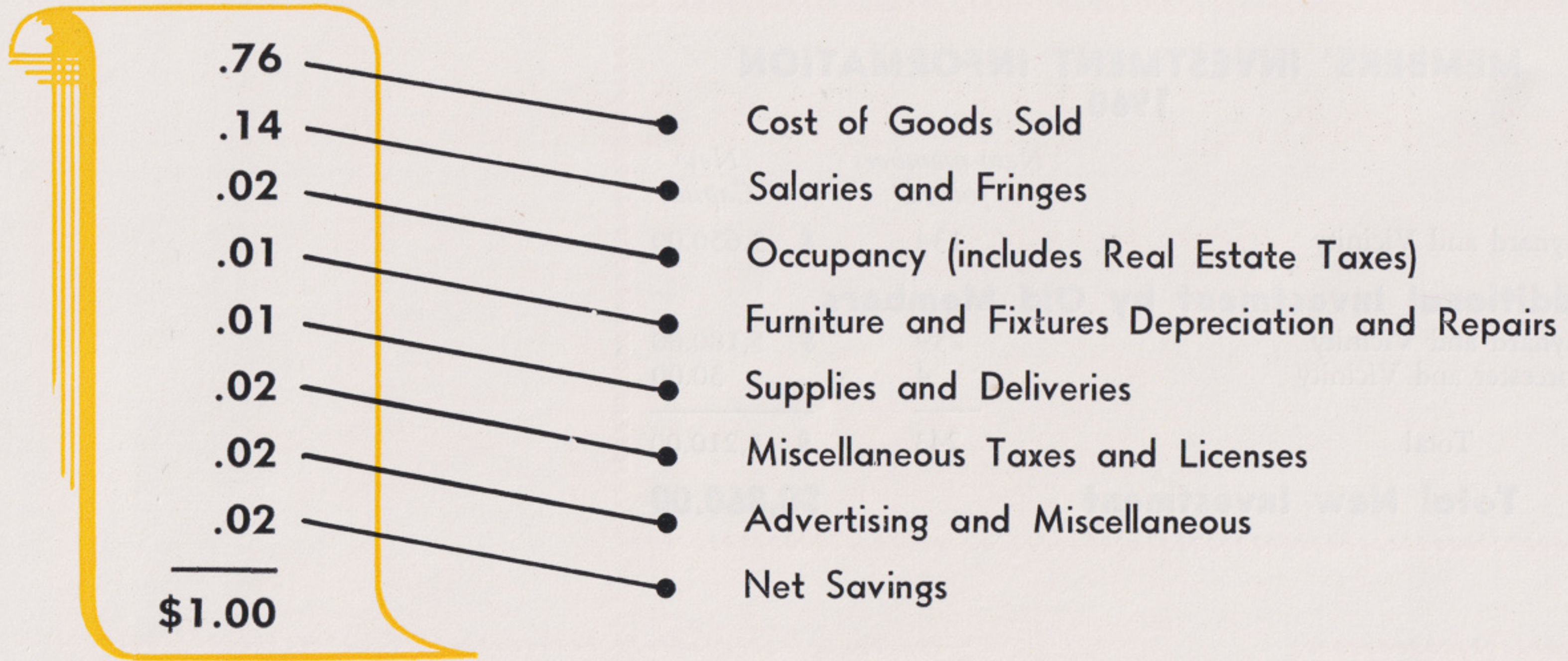
TOTAL LIABILITIES AND NET WORTH..... \$486,045.62

\$496,250.37

OUR STATEMENT OF OPERATIONS

Combined

For Year Ended	Dec. 31, 1960 Amount	% of Sales	Dec. 31, 1959 Amount	% of Sales
NET SALES	\$1,572,628.54	100.0	\$1,779,350.39	100.0
Cost of Goods Sold	1,201,670.78	76.4	1,369,231.42	77.0
GROSS MARGIN	<u>370,957.76</u>	<u>23.6</u>	<u>410,118.97</u>	<u>23.0</u>
EXPENSES: (Includes Dairy and Bakery Production)				
Salaries and Wages (Includes Taxes, Fringe Benefits and Production Payroll)	220,270.59	14.0	223,675.86	12.6
Occupancy (Includes Heat, Light, Water and Real Estate Taxes)	34,753.51	2.2	34,297.95	1.9
Equipment Depreciation and Maintenance	17,650.44	1.1	20,856.53	1.2
Wrapping Supplies and Milk Bottles	9,170.95	.6	15,371.77	.9
Advertising and Office Supplies	17,755.45	1.1	25,260.09	1.4
Miscellaneous Taxes, Licenses and Insurance	5,979.98	.4	6,709.08	.4
Truck and Delivery Expenses	10,788.49	.7	9,029.94	.5
Other Operating Expense	16,463.81	1.1	27,665.96	1.5
TOTAL OPERATING EXPENSES	<u>332,833.22</u>	<u>21.2</u>	<u>362,867.18</u>	<u>20.4</u>
NET SAVINGS FROM OPERATION	38,124.54	2.4	47,251.79	2.6
Non-Operating Expenses	6,934.98	.4	1,216.74	.1
NET SAVINGS Subject to distribution (see page 9)	<u>31,189.56</u>	<u>2.0</u>	<u>46,035.05</u>	<u>2.5</u>



TEN YEARS' STORY BY FIGURES

YEAR	MEMBERS	EQUITY CAPITAL	SALES	SAVINGS	SHARE DIVIDEND RATE	PATRONAGE REBATE RATE
1950	2,658	\$241,124	\$1,312,307	\$30,912	5%	1. %
1951	2,632	241,251	1,342,727	19,224	5%	1. %
1952	2,633	242,105	1,377,411	17,171	5%	¾ %
1953	2,674	240,198	1,368,800	27,271	5%	1.4%
1954	2,721	242,573	1,385,063	24,194	5%	1.1%
1955	2,806	250,524	1,517,252	23,576	5%	1. %
1956	2,960	260,223	1,683,846	35,557	5%	1.7%
1957	2,915	261,991	1,739,898	40,442	5%	1.9%
1958	2,802	266,751	1,664,793	59,991	5%	3. %
1959	2,973	278,697	1,779,350	46,035	5%	2. %
1960	3,023	285,266	1,572,629	31,190	5%	1½%

DISTRIBUTION OF NET SAVINGS OF 1960

Provision for Federal Income Taxes	4,801.13
To General Reserve	4,678.43
Dividend on Shares	6,524.20
Patronage Refunds	15,185.80
Total	31,189.56

MEMBERS' INVESTMENT INFORMATION 1960

	<i>New members Joined</i>	<i>New Capital</i>
Maynard and Vicinity	134	\$ 3,650.00
Additional Investment by Old Members		
Maynard and Vicinity	239	\$ 5,180.00
Worcester and Vicinity	4	30.00
Total	243	\$ 5,210.00
Total New Investment		\$8,860.00

Membership Cancellations and Share Redemptions

Reasons:	<i>Total</i>	<i>Value</i>
(a) Members moved away	23	\$ 910.00
(b) Deceased members	24	1,520.00
(c) Incapacitated over 65	11	1,850.00
(e) Other reasons	17	1,275.00
	75	\$ 5,555.00
Worcester Store Closing	9	230.00
Total	84	\$ 5,785.00

MEMBERSHIP AS OF

	<i>Dec. 31, 1960</i>	<i>Jan. 2, 1960</i>
Maynard	2,776	2,717
Worcester	247	256
Total	3,023	2,973
Increase in Membership	50	
Average Investment in Share Capital, per member	\$44.17	\$43.88

SAVINGS RETURNS

Our Co-op savings returns since 1907 are as follows:

Patronage Rebates including 1959	\$798,434.36
Share Capital Dividends (Interest)	119,267.31
Total Co-op Savings	\$764,972.57

"Profit to those who make profit possible"

Amount of goods distributed to our patrons	\$34,274,324.87
---	------------------------

CO-OP HAS A TAX BURDEN ALSO!

In the year 1960 our Co-op paid the following taxes:

Town of Maynard Taxes and Licenses	\$ 9,985.57
Commonwealth of Massachusetts	5,604.74
Federal Government	11,937.78

Total Taxes in 1960	\$27,528.09
----------------------------	--------------------

BOARD OF DIRECTORS' REPORT

(Continued from Page 3)

Because of the limitations of the Public Relations Committee's budget it became necessary to discontinue the services of our part-time Public Relations Director in May and to eliminate publication of the Co-op News for June and September, as well as for July and August.

A method of publicizing our Co-operative was re-introduced during the year. Director Francis Alving and Supermarket Manager Reino Tuomanen, both of the Public Relations Committee, have attended one meeting each of the Co-operative Kindergarten School of Acton and the Charles A. Welch Lodge of Masons as guest speakers. Manager Tuomanen spoke on "Consumer Values," outlining ways and means to make savings in weekly food purchasing, by comparative analysis of like products — checking weights, grade standards, taste, price differential, and packaging differences. Director Alving spoke briefly on our new dairy improvements and equipment. In both instances lively discussions followed the prepared talks. At the conclusion of the meetings, refreshments were served, consisting of Co-op coffee and delicacies from our bakery department. As this report is being written the above two members of the Public Relations Committee plan to present the same program to the Women's Fellowship of the Congregational Church, Maynard. General Manager Arvo N. Rivers also presented similar programs at the Finnish Congregational Church and for the Finnish Central Committee. We feel that this is a worthwhile project and should result in an increased interest in the Co-operative movement.

Women's Co-op Guild

The Women's Auxiliary of the Co-op continues to be active. They provided two scholarships for the Co-op Summer Institute at Hobart College. During the year the by-laws of the Guild were amended. These were approved by the Board after it had included the stipulation that members of the Women's Guild must be members of the Co-op. This stipulation was approved by the Guild.

Operations and Financial Condition

At this writing our books have not been audited. For detailed information concerning operations and financial condition we refer you to our annual reports, audited by J. Paul Heikkila, C. P. A., and to the report of the General Manager and Treasurer.

Conclusion

As this report is being written we have no way of telling what will be the results of the balloting relative to the changes in our Articles of Association and By-laws as proposed at the last Annual Membership Meeting, namely, 1) to increase the authorized capital stock from \$200,000. divided into 40,000 shares at par value of \$5.00 to \$1,000,000. divided into 200,000 shares at par value of \$5.00, and 2) to increase the number of shares that may be owned by any one member from 40 to 200. We sincerely trust that the vote will be in the affirmative in both cases.

Our trading area is growing rapidly, and, if we are to meet our competition successfully and obtain our share of the sales, it would appear that during the present decade we shall have to expand our services or facilities or both. This will require additional capital. We firmly believe that each of our members should own the maximum number of shares permitted by our By-laws — whether it be 40 or 200. This is the ideal. We understand that a number of Co-operatives throughout the country have adopted the procedure of applying a family's rebates toward the purchase of shares until said family has at least \$100. invested in the Co-op. While we do not at this time recommend that a similar procedure be adopted by our Co-operative by way of an amendment to our By-laws, we do recommend to each family that it voluntarily increase its shareholdings to at least \$100. by some plan of systematic savings — by applying rebates or by periodic purchases of shares or by both.

If we are to continue our growth as a successful and dynamic Co-operative, then it is essential that each and every member fully inform himself of the principles and practices of the Co-operative movement and do his utmost to spread this knowledge among his neighbors and friends. If we work together in this common endeavor, we cannot help but succeed!

Respectfully submitted,

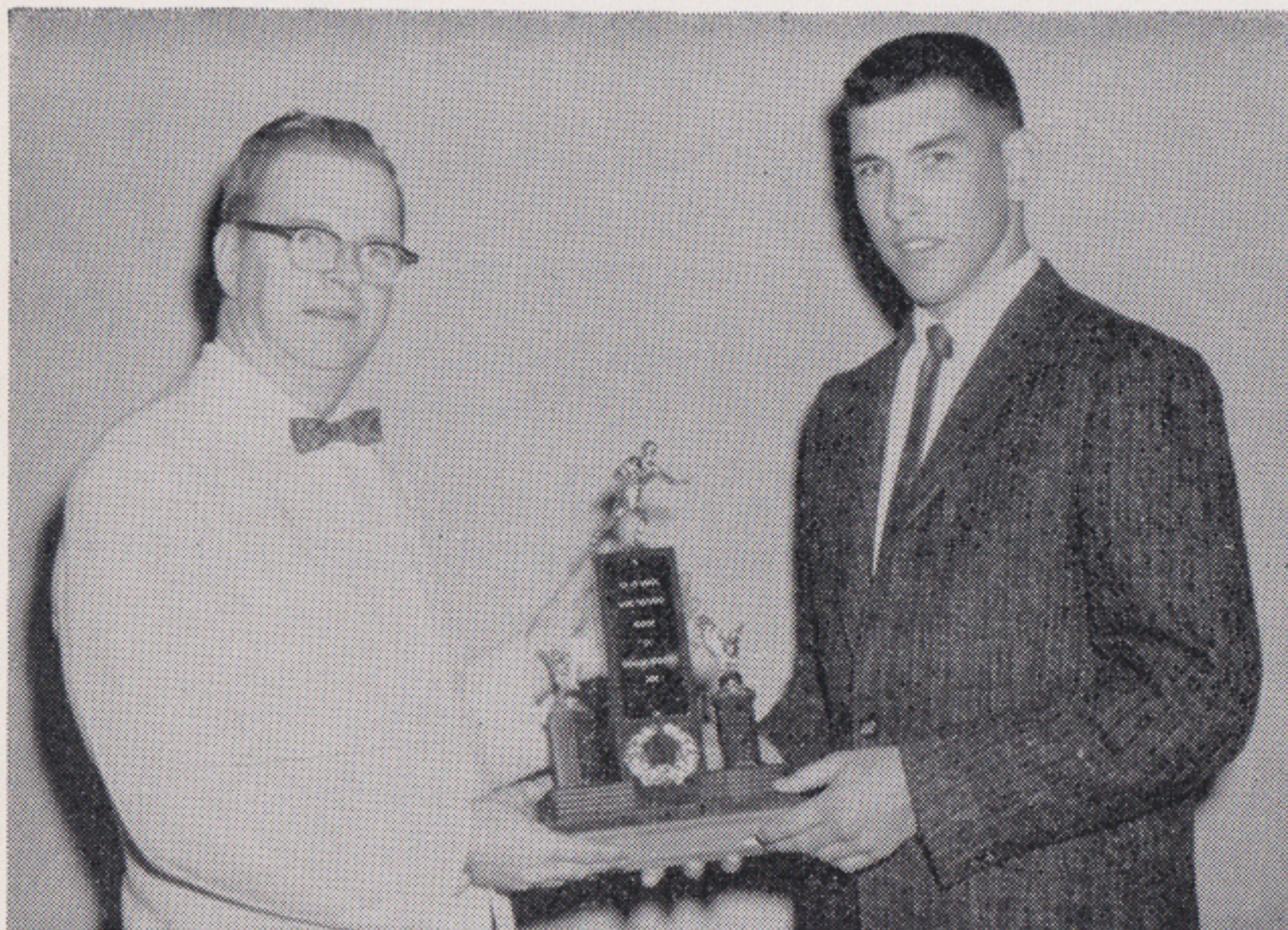
THE BOARD OF DIRECTORS

By: JOSEPH E. BOOTHROYD,
Secretary-Clerk

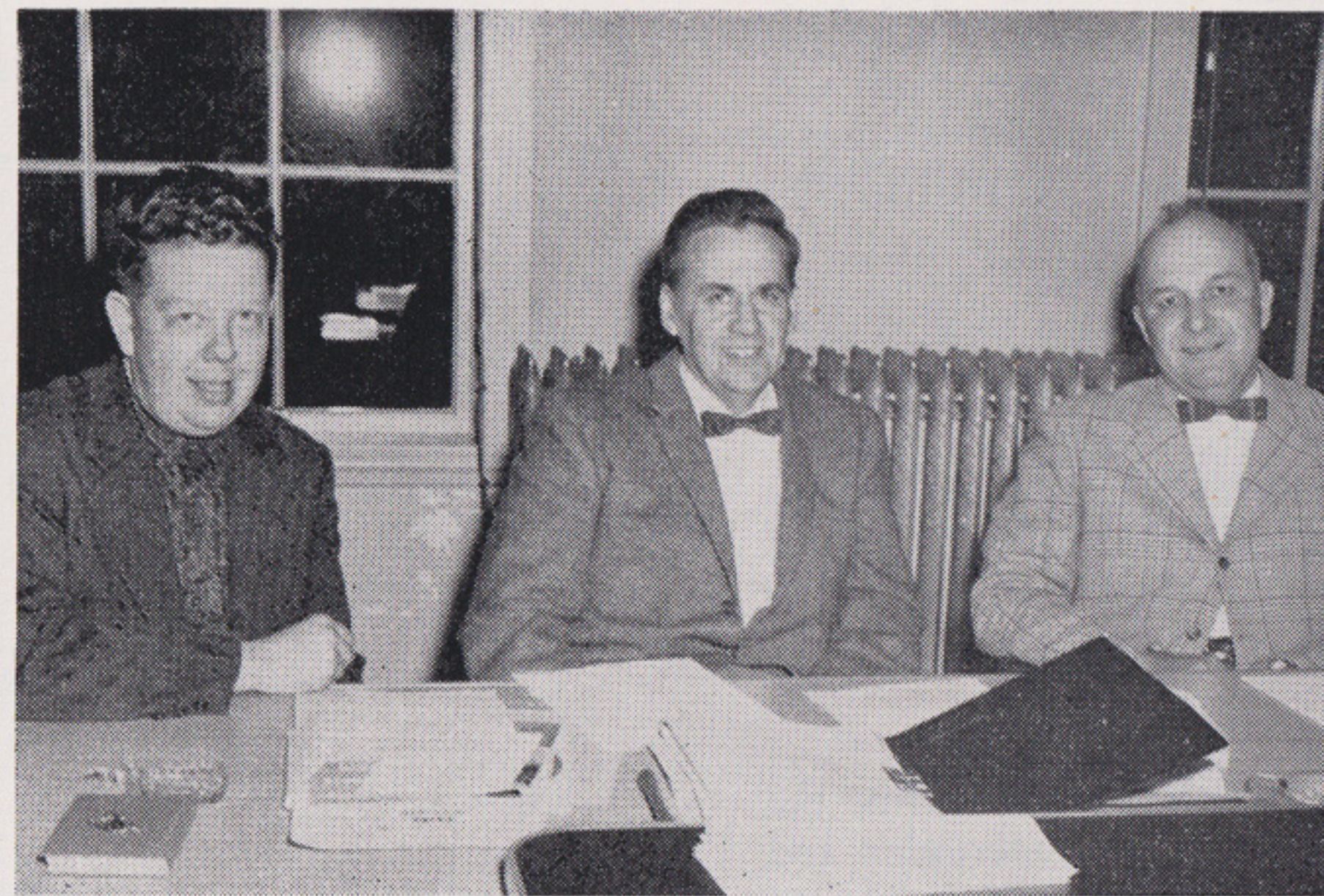
EXPLANATORY STATEMENT PERTAINING TO PANORAMIC PICTURES OF DAIRY PLANT MACHINERY AS THEY APPEAR ON BOTH SIDES OF BACK COVER

1. Soaker type bottle washer, washes and sterilizes glass bottles from 1/2 pint to 1/2 gallon sizes at the rate of 36 per minute. Bottles are free of any foreign matter and bacteria — and then travel on the conveyor to the milk filler.
2. This is the stainless steel (inside and outside) milk filler which automatically fills a set quantity of either 1/2 pints, quarts or half-gallon containers while bottles travel once around the machine at the rate of 36 per minute. Is synchronized to the speed of washer.
3. This is the capper which automatically places sanitary "cover-caps" on glass containers at the same rate of speed. From this point bottles are placed in refrigerated "walk-in-cooler" ready for route men to deliver to customers.
4. This is a 1,000 gallon capacity bulk milk storage tank. Here we can keep milk at a desired temperature. It is refrigerated with a 5 H.P. compressor. It is a stainless steel structure both inside and outside.
5. This is the "King Zero" cooling system which provides proper cooling to bring down the temperature of hot pasteurized milk quickly to 45°. The cooling is a very important part of milk processing and requires expensive machinery. It is operated by a 5 H.P. compressor.
- 5a. This is a *Tri-process* clarifier. It can be used for three purposes.
 1. To clarify milk by removing particles such as milk scales and other things that the naked eye cannot see. Milk thus processed is easier to digest.
 2. It can be used as "standardizer" to equalize butterfat content of milk, at any desired degree, and extra butterfat can be taken out.
 3. It can be used as a cream separator to take entire amount of butterfat out of milk. Material remaining would be called skim milk or, if you please "non-fat" milk. In case of manufacturing butter this process would be required.
6. This is the "Electronically Controlled Panel" for HTST pasteurizing system. There are hundreds of electric wires in numerous colors connected to this panel which controls pasteurizing procedure. If anything in the system goes wrong then the proper light signals appear on the panel to give warning to the operator and, furthermore, it may stop processing entirely until the matter is corrected.
7. This is the important part of high temperature short time pasteurizing machinery. The small \$750.00 valve shown here is a very sensitive piece of equipment. In case that milk is not properly pasteurized it may close the normal flow of milk to the filler for bottling and redirect it back to storage.
8. This is the "pressure plate" which has a two-fold purpose. First the milk runs through certain channels at a high temperature and is pasteurized, then the other side of the plate goes through another channel and the milk gets cooled by ice water provided by "King Zero."
9. This is a manually operated paper carton filler and sealer. We use "Sealtest" plastic coated cartons.
10. This is a "*Homogenizer*" which breaks butterfat globules in milk into small atoms by a special air pressure method of 1940 pounds pressure per cubic inch. The machine does not remove anything from milk or add anything. However, by a special requirement Vitamin D is added to milk before homogenizing and just a precise quantity per 1,000 quarts of milk. This machine requires a lot of power, a 15 H.P. electric motor.
11. Milk receiving conveyor and can washer using steam. Weighing apparatus and stainless steel receiving tank cannot be seen in this picture.

General Statement pertaining to Dairy plant equipment. We wish to state that practically all machinery is of stainless steel, especially where milk is in contact with metal. If any members in groups of 4 or more wish to make inspection tour of the plant, they are most courteously invited to do so. Please make appointment in advance.



DIRECTOR LEO MULLIN presenting the Co-op Trophy to DOUGLAS DEROSA, at the Booster Club Banquet, Saturday, May 14th, held at the Green Meadow School Auditorium, as the most valuable football player at Maynard High School.



Employees serving on Public Relations Committee:

RAY TUOMANEN (center), *Supermarket manager*, ROY HELANDER (left), *grocery buyer*, and AHTI JAAKKOLA (right), *part-time meat man*, rendering valuable services in the line of public relations work.



GENERAL MANAGER RIVERS serving coffee to GOVERNOR JOHN A. VOLPE, REPRESENTATIVE JOHN M. EATON, JR. and local Republican Committee Chairman EDMUND BEEBE.

