

Cooperative Information Report 26

July 1980

Reviewed and Approved for Reprinting February 1988

Cooperative Farm Bargaining and Price Negotiations

Contents

Foreword

Preface

Acknowledgments

Summary

I. The Need for Farm Bargaining

Overcoming Weaknesses

Farm Bargaining and Changes in the Market Structure

II. The Legal Background for Cooperative Farm Bargaining

The Sherman Act (1890)

The Capper-Volstead Act (1922)

Farm Bargaining Compared to Labor Unions

Court Actions

The Agricultural Fair Practices Act (1967)

State Legislation

Future Legislation

III. The History of Farm Bargaining

The 1920's

After World War II

Milk Bargaining

Fruit and Vegetable Bargaining

National Farmers Organization

American Farm Bureau

Broilers and the AAMA

A Half Century of Progress

IV. How Farm Bargaining Works

Opportunities and Limitations

Common Characteristics

Philosophy

Bargaining Power

The Individual Farmer's Weaknesses

Growth in Spite of Fears
Association Goals

V. Types of Bargaining Associations

Marketing Type
Bargaining or Sales Agent
Exclusive Representative in Collective Bargaining
Market Service Association
Exclusive Agency Bargaining

VI. Why and How Bargaining Associations Are Organized

Below Cost of Production Prices
Adverse Terms of Trade
The Arrogant Buyer
Farmers Must Take the Initiative
Advantages to Food Companies
Four Essential Considerations
A Typical Organizing Effort
Financing

VII. Managing and Operating a Farm Bargaining Association

The Manager
Selecting a Board
Responsibilities
Board-Manager Relations
The Manager's Role
Member Communications
Meetings
Personal Contact

VIII. Bargaining: Planning, Strategy, and Tactics

The Bargaining and Negotiating Process
Establishing Goals
Members Provide the Bargaining Power
Preparation and Fact Finding
Who Should Negotiate
Planning Strategy
What People Strive For
The Bottom Line
Values Will Not Change
Maximizing the Negotiation Effort
Negotiating
Power
Mediation and Arbitration
Operating Cooperatives
Final Decision Making

IX. The Future of Farm Bargaining

Appendixes