

Vineland Co-operative Limited Fonds

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The Niagara region of Ontario has been synonymous with the production of high quality fruit for many years. From the time the first settlers arrived in Upper Canada, they recognized naturally growing fruit in the areas which they called home. It followed logically that they would take advantage of this and become growers and sellers of this product. Initially, the enterprise of farming fruit in the area was very haphazard and piecemeal, until an enterprising group of five men met in September of 1913. These men, four farmers and one school teacher, struck what would become one of the largest fruit co-operatives in the province.

The Vineland Co-operative was founded that day in September 1913 and became operational in the spring of 1914. It endured an abysmal first season, and the organization took what would become its only loss in its long history.¹ As membership grew through the early years, so did profits, and it was asserted that all profits would be returned to the company and to the shareholders. It was through vision, hard work, integrity and accountability that the Vineland Co-operative has been able to enjoy the success and prosperity that it still enjoys to this day.

As would be predictable of any large successful company which has lasted for over ninety years, the amount of material in this collection is vast. It runs the spectrum from material which describes the formation of the company in 1913 to celebratory documents which mark the company's fiftieth and seventy-fifth anniversaries. The

¹ A cold growing season resulted in a sixteen hundred dollar net loss. Four directors decided to contribute four hundred dollars each to maintain the co-op's solvency. As a result, it started with a "clean slate" the next year.

collection originally came from the Ontario Agricultural Museum, and it focuses on the time period from 1920 to 1960.

Papers from the early years are rather fascinating and it seems appropriate to begin a description of this collection at that point. There is a type-written letter, dated 11 September 1913, addressed to Alonzo Culp, the president-designate of the Vineland Co-operative. The author's name is indistinguishable² but it is in response to a letter that Culp wrote six days earlier. While it would be ideal to have that "first letter", we are able to learn a few pertinent facts from what we do have. The representative explained to Culp that:

the procedure [of starting a co-op] is very simple and the costs very low. [He continued] . . . according to the company's act under which our associations are incorporated, it is necessary for you to call an organization meeting of five or more men to talk the matter over; appoint five provincial directors who will agree to take one or more shares of stock in the company; fill out the necessary papers, copies of which I am sending so you can have these filled by the provincial secretary's department here.³

The five men who were appointed directors were Alonzo Culp, Ezra and Melvin Hunsberger, Norman P. Moyer and William M. Gayman. A prospectus is included to identify this, as well as the fact that the starting authorized capital was ten thousand dollars. It was further decided that all men, save for Gayman, were to hold twenty shares.⁴

Another piece of information found in these early documents is that the co-op intended to carry on the business of refrigeration, or cold storage of their produce. This was advertised on company letter-head, that "fruits pre-cooled for Port Arthur, Fort

² The signature is indistinguishable, though this person was a representative of the Government of Ontario's Department of Agricultural Fruit Branch. Vineland Growers' Co-operative Limited Fonds XA1 RHC A0386035 Archival and Special Collections, University of Guelph Library (hereafter referred to as "the collection") Box 12, File 1.

³ Box 12, File 1 in the collection.

⁴ Gayman was a school teacher and appointed the co-operative's first secretary-treasurer. The remaining four men were farmers originally from Pennsylvania. The reason that Gayman was apportioned fewer shares is likely because he was otherwise occupied during the day.

William, Winnipeg and points west”⁵ were available. By 1948, a separate cold storage facility was constructed, which facilitated this process and brought the co-op even more business.⁶

After a difficult first season, the Vineland Co-operative experienced steady growth and prosperity for many years. Through this time of success, it did encounter some challenge to its reputation; two documented legal disputes are contained within the collection.

The first dispute was with a man named Amodeo who ordered a shipment of fruit which upon arrival in Kingston, was found to be unsatisfactory.⁷ The co-op responded through their lawyer that firstly there were severe penalties for selling fruit that had been improperly graded, and secondly that the fruit order had been inspected prior to shipment and was found to be correct. Furthermore, as they explained in a letter to Amodeo’s lawyer, if the fruit was found to be unsatisfactory upon arrival in Kingston, the complaint should have been addressed to the shipping company and not the co-op itself.

Consequently, it requested that Mr. Amodeo settle his account for the amount owing on this particular order. There are many letters written between the lawyers of both Mr. Amodeo and the Vineland Co-operative between October 1921 and January of 1922 which describe this legal dispute. Both sides seemed to have expressed a great deal of intransigence, though the letters were written in a rather polite, professional tone.

⁵ It is interesting to recognize that by this early point in the history of the co-op, it was already starting to expand its market beyond Southern Ontario. Box 5, File 2 in the collection.

⁶ The plant was originally designed as a pre-cooling plant and . . . while this represented a sizeable investment on the part of the company [it] has proved to be a wise investment. Box 19, File 2 of the collection. Page 5 in the Vineland Growers’ Co-operative Limited Fiftieth anniversary booklet, hereafter referred to as “the booklet”.

⁷ According to the letter written by Amodeo’s lawyer to the Vineland Co-op, Amodeo ordered first grade apples and received second. Also, the grapes he ordered arrived broken. Consequently Amodeo paid the price for the second grade apples that he received and nothing for the grapes. Box 12, File 5 of the collection.

According to the latest piece of evidence that is available, the dispute was to be heard in the Ontario courts in April of 1922, but unfortunately no record of its resolution is available.

The second dispute involving the Vineland Co-operative was with the Canadian Cannery company, and although it is less detailed than the Amodeo dispute, it is similar in content. In a letter to the company, the Vineland Co-op wrote that

We are at a loss to understand your invoice to us in the amount of \$9636.20 for spoilage of peaches. According to the terms and conditions of the contract with us, we are only liable for damage sustained through our negligence and we do not know of any way in which we have been negligent. We must therefore take the position that under the terms and conditions of the contract, you are responsible for the loss in question and that we must be paid our account of \$1352.96 for the storage in question. We trust that we shall receive your cheque for the last mentioned by sum by return mail.⁸

In both disputes, it was claimed that the Vineland Co-operative was in some way at fault. It is significant that both challenges were met with steadfast defiance and prompt, rational attention to see that the matter was resolved. The co-op wanted to remain on amicable terms with its customers, yet it still had to demonstrate fiscal integrity to retain the trust of its shareholders. It is through the massive and meticulously-kept inventory records that this is most evident.

Between the years 1916 and 1959, there is only one stretch of time where a detailed inventory is not included in the collection.⁹ As a result of there being over thirty years of records, there are a great many pages of information, many of which are quite similar. That being said, there are some interesting details and tendencies that contribute to the history of the Vineland Co-op that deserve special mention.

⁸ This happened in 1955. Box 15, File 4 of the collection.

⁹ Inventory records are contained in various boxes and files; only the years 1920 to 1926 are missing.

The first involves the actual content of the inventory, the kinds of things that were produced and sold by the co-op. By 1923, the co-op had records that they dealt in such items as baskets, basket fasteners, cement, coal, crates, fertilizer, flour, feed, hay, ladders, lenos, lime, posts, seed, spray, straw, tile, twine, wire, lead and bluestone. Of course, it also dealt with fruit crops and on the company letter-head it advertised that they were “growers and shippers of High-grade fruits and vegetables.”¹⁰ This use of letter-head is interesting; the co-op did account for stationary supplies as part of its records, and were careful to mention how much money was spent on it. For this reason, some of the inventory records were hand-written on the back side of the letter-head, perhaps to save money or perhaps simply because it was available. Either way, it was a way to advertise the company, and it is possible that customers may have had access to papers such as these.

In general, inventories of stock were taken twice in each calendar year, at the end of May and at towards the end of December. One interesting series of records exist for the year 1950 where inventory values are noted for each month between February and October.¹¹

Similar to stock inventories, individual account ledgers are rather comprehensive with only a few gaps. From these we can learn some interesting facts about the operation of the co-op. The first key fact that is revealed here is the geographic area of distribution. The vast majority of business was conducted within the immediate surrounding area,¹² but as early as 1915 there is mention of customers as far east as Quebec City and as far

¹⁰ There were two versions of this company letterhead. Box 5, File 2 of the collection.

¹¹ Values tended to rise between February and May when the fell continually until October. Box 14, File 5 of the collection.

¹² The majority of the business went to places such as Vineland, Jordan, Grimsby and Berlin (now Kitchener) Box 1, File 1 of the collection.

west as Fort William. This pre-dates the construction of the St. Lawrence Seaway by many years so these orders must have been shipped overland.

The second piece of information found here involves the method of payment. Much of the exchange seems to be based on the credit system, and there is not any evidence that interest was charged. Usually the accounts were settled a week or two after the last charge, and there was no indication of any problems with this system.

This collection also contains records pertaining to the employees. Generally, the workers earned between two dollars and fifty cents and three dollars per day.¹³ Typically, men worked six days per week giving them a monthly gross pay of around sixty dollars. Of course, tax was imposed on that sum of money although wages were exempt from tax if workers did not earn a certain amount of money.¹⁴

During World War Two, the Government of Canada passed a law which obliged companies to collect a war tax to support the war effort.¹⁵ The amount of tax was based entirely on the amount of money a worker earned during one calendar year, consequently, office workers paid more taxes than did other workers.¹⁶ It is appropriate to mention here that in the category of office workers, we have the only four women who appear in the collection with any regularity.¹⁷ If any company or individual failed, or otherwise refused to pay this tax, a maximum penalty of ten thousand dollars and six months of

¹³ This was in 1930, and the wages didn't change much in the next fifteen to twenty years. Box 17, File 1 of the collection

¹⁴ The annual limits were six hundred sixty dollars if the worker was single and twelve hundred dollars if he or she was married. If the worker earned anything equal to or lower than these amounts the worker was not obliged to pay tax. Box 17, File 2 of the collection.

¹⁵ The Vineland Co-op started to collect this tax ("war" and "defense" used interchangeably) starting in 1940, though it wasn't made into law by the government until 31 August 1942. Box 17, File 5 of the collection.

¹⁶ Most workers paid 2% of their wage, whereas office workers paid between 4 and 4.5%. Box 17, File 2 of the collection.

¹⁷ Betty Ann Wheeler was the long time secretary-treasurer of the co-op who succeeded William Gayman on his death. The other three women were identified as Ethel Burkholder, Helen Thornton and Marjorie Funk. Box 17, File 2 of the collection.

summary conviction could be imposed. There is a comprehensive pamphlet which describes the company's legal obligation when it came to taxation, and details the legal situation (including exemptions and stipulations) therewith.¹⁸

In response to the process of taxation, workers of the co-op found ways to supplement their income to further support themselves and their families. The co-op started to offer unemployment insurance in the summer of 1941¹⁹ and a comprehensive pension scheme in 1948. Furthermore, for the 1942 tax year, T-4 forms had a space where workers could stipulate the details of their life insurance premiums and annuities.²⁰ Additionally, workers were eligible to be exempt from paying tax if they had to take care of dependents and made less than twelve hundred dollars. Overall, it is safe to say that the coop conducted its business with professionalism and integrity. It took care of its workers, its customers and its business on the whole which explains, in part, its overwhelming success.

Perhaps the most valuable document contained in the collection is a ten-page booklet produced by the co-op in recognition of its "golden anniversary" in 1963. There are five key features which make this booklet an especially valuable inclusion to the collection. The first is that it is concise and geared towards a non-history audience. It was likely distributed to shareholders and community members alike who had gathered to mark the fiftieth anniversary of the co-op. The language is accessible and there are a few sketches which offer the reader a visual depiction of what operations might have been

¹⁸ The pamphlet, provided to companies by the Department of National Revenue: Income Tax Division is entitled *Instructions to Employers regarding deductions to be made from employees in account of income tax, including savings of income*. Box 17, File 5 of the collection.

¹⁹ Box 17, File 1 of the collection; and Booklet, p. 4 in Box 19, File 2 of the collection.

²⁰ All surviving T-4 forms indicate that each worker had at least one policy. The major companies were The London Life Insurance Company, Mutual Life Insurance Company, Sun Life Insurance Company and the Crown Life Insurance Company. Box 17, File 3 of the collection.

like. Secondly, the highlights of the co-op's early years are noted, as are basic details of its gradual and successful evolution. It is rhetorical at times,²¹ though this is expected in a retrospective description which recounts the success of the co-op over the past half century. Thirdly in a financial context, it was reported the co-op recorded over thirty seven million dollars in sales, turning a profit of nearly three quarters of one million dollars.²² Fourth, it gives us a description of what the co-op actually does, and the service that it provides to its members.²³ Finally, although it wanted to celebrate foresight and past accomplishments, it also acknowledged the importance of the future to the long-term success of the co-op. Inside the front cover of the brochure, President John C. Wismer acknowledged that "agriculture is becoming more complex year by year. Those who will be successful in future are the growers who take into consideration the latest business practices, adopt the most modern scientific concepts of agriculture and combine this with intelligent marketing principles and procedures."²⁴ It is clear that through an analysis of its history, everybody involved with the operation of the co-op had a clear understanding of its mandate. Through hard work, integrity, a solid co-operative spirit and a good working relationship between customers, administrative and field workers, it was able to achieve success for many years.

²¹ Shrewd management, thrift and integrity, combined with the ability to co-operate with one another during good times and bad, plus instinctive business sense, have been key factors responsible for the success of Vineland Growers' Co-operative (booklet p. 4). In addition, throughout the history of the Vineland Co-operative confidence and integrity have been key words in the philosophy of operations. This undoubtedly accounts for the fact that at the present time the company is serving the majority of progressive growers throughout the district. (booklet p. 7) Box 19, File 2 of the collection.

²² Exact figures are noted, as are the amount of money paid back to members of the co-op as patronage returns, dividends, taxes (remitted to the government), sundry and expansion. (booklet p. 3.) Box 19, File 2 of the collection.

²³ The co-op was always desirous to share the prosperity of the company with employees. [It] has throughout its history valued the contributions of the employee group and provided them with liberal benefits. In 1948, for example, the co-operative was one of the early agricultural organizations to introduce an attractive pension scheme for employees. (booklet p. 4) Box 19, File 2 of the collection.

²⁴ Booklet, inside front cover. Box 19, File 2 of the collection.

In terms of the significance of the collection for the study of rural history, there are number of answers that it provides. It shows the operation of a farm co-operative (from a documentary point of view) and the financial/administrative side as well. It gives us a glimpse of the scope of its business, the size of distribution and the kinds of materials that it sold. There are omissions, of course, and it must be acknowledged that this collection does not tell the entire story of the history of the Vineland Co-operative. Some questions remain and in the end they might even be more important than the answers.

The most glaring omission from the collection was a better description of the workers: who they were, from where did they come and most importantly what did they do? We are told how much they were paid, but except for the office workers (we can reasonably surmise their role) we are left wondering what they did. Another omission from the collection is a resolution of the legal situation involving Mr. Amodeo.²⁵ As a measure of conjecture, perhaps the verdict was not rendered in favour of the Vineland Co-op and was intentionally left out or destroyed. Maybe it was lost in the mail, or misplaced through some other kind of human error. It might be possible to ascertain the verdict by examining Ontario court records from 1922, but unfortunately, no evidence is contained within this collection itself.

A final major area or theme that I felt was missing from this collection was a comment on the Ontario wine industry. Shortly after the co-op was established, the Ontario Temperance Act was declared which made Canadian wine the only legal

²⁵ See above, Hickling, p.3.

alcoholic beverage in Ontario.²⁶ At the time, wine was made from grapes and nothing more; consequently, Ontario grapes were in high demand not only in Canada, but in the United States and from countries as far away as Cuba and Jamaica.²⁷ Predictably the wine business became lucrative around this time although the quality suffered as the business was not regulated. In 1927, prohibition came to an end and in that same year Ontario established the Liquor Control Board of Ontario. By the late 1940s, Ontario viniculture experienced a bit of a renaissance that has continued to this day.²⁸

Throughout these historic trends, there is no discernible rise in the sale of or demand for grapes from the co-op. It is unfortunate that records of the collection end in the 1960s; it would be interesting to ascertain the impact of this past generation's wine consumption on the production of grapes (and indeed other kinds of fruit) in the Vineland region.

The collection is itself, despite a few gaps and omissions seems to be rather complete. It is meticulous in terms of detail. Much of the information, especially in the early years of operation is handwritten. This is good in that it is direct and authentic. However, sometimes hand-written information is illegible which makes understanding the material difficult and at times impossible.

There are some products that one expects to be sold by an agricultural co-op, such as fruit, hay, seed, baskets and the like. There are others that were sold by the Vineland Co-op that I felt needed further explanation or clarification. For people who are unfamiliar with the operation of a farm or a farm business, the use of tile, cement, lime, lead, bluestone, sulphur and gun grease seem peculiar. For what, why, how, in what

²⁶ An essay by Ronald C. Moyer entitled *The Niagara Grape Industry: Evolution to World Status*, p. 3 in *Agriculture and Farm Life in the Niagara Peninsula. Proceedings: Fifth Annual Niagara Peninsula History Conference, Brock University, 16-17 April 1983*.

²⁷ Moyer, p. 3.

²⁸ Moyer, p. 7.

quantities and under what circumstances were they used? Some questions remain unanswered at this point, and if for nothing else this collection deserves attention because of it.

Because of its breadth of coverage and the scope of information, it can be safely accepted that this collection is of reliable historical value. It tells a story of early-to-mid twentieth century agricultural history but more to the point it shows what it was like for a business venture to start up, develop and prosper. Many businesses started and failed during this time period for various reasons. The success of the Vineland Co-op and the fact that it is still prospering well into the twenty-first century suggests that people tend to support a company that puts the welfare of individuals ahead of individualized profits.

Through the entire collection it is evident that the co-op kept very tight records of profits and expenses.²⁹ It had to earn and retain the trust of those people with whom it was in business. It was innovative, it was responsive to the wishes of the people it served, and it realized that the success or failure of its customers was closely linked to its own.³⁰ Its mandate was service, its business was the support of farmers and in the process it made some money as well. It is not perfect; no company is, but it does offer an example of a strategic vision combined with steadfast resolve to provide a necessary service to members of its community.

²⁹ Box 5, File 5 and others in the collection.

³⁰ Norman H. High. *The History and Economic Development of the Vineland Growers' Co-operative Limited*. A fourth year thesis submitted to the Department of Agricultural Economics at the Ontario Agricultural College, 1940. p. 16.

SUGGESTED READING

- Burtiak, John and Turner, Wesley B, eds. *Agriculture and Farm Life in the Niagara Peninsula: Proceedings of the Fifth Annual Niagara Peninsula History Conference at Brock University*, 16-17 April 1983. Call Number FC3095N65 1983
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