

these added burdens; they are not true cooperatives? Is that the basis of your position.

Mr. OLSON. We believe that the problem probably stems from the fact that many groups have banded together and call themselves a cooperative, operating under the cooperative principle very much the same as perhaps grocery stores or any other like businesses.

This is where we feel the distinction is between the two. The word "cooperative," in other words, must mean something. This is where I base this contention.

Of course, the cooperative could extend well beyond milk. It could include other agricultural commodities.

Mr. WATSON. You don't mean to imply that all of these other cooperatives are truckers? Certainly you have genuine bona fide farmer cooperatives.

Mr. OLSON. They are not agricultural. That is the difference.

Mr. FRIEDEL. Will the gentleman yield?

Mr. WATSON. Yes.

Mr. FRIEDEL. What do you haul on your backhaul?

Mr. OLSON. We are hauling general commodities of all types. This is for economic necessity actually. That is the purpose of this.

Mr. FRIEDEL. Isn't that what the other cooperatives do?

Mr. OLSON. Yes. We are trying to draw the distinction here without malice to anyone between the types of cooperatives, cooperatives in principle, cooperatives as regulated and planned by the Department. This is the difference between them.

Mr. WATSON. Since you are restricted to milk, help me to understand what commodities you would be in a position to haul on your backhaul.

Mr. OLSON. Our understanding, again, the qualification of the cooperative does not necessarily mean that it is relegated to strictly the product it is principally engaged in. This could be grain or a number of other—cotton, I suspect, is a large one in this field.

But the Department has the qualification branch for each area in which they incorporate the necessary requirements for being a true cooperative, to render the services back to their members as is defined in the act. Ours, peculiarly, is milk.

Mr. WATSON. Help me to understand how your equipment would be adaptable to any other commodities other than liquids. Certainly, milk would be highly restrictive insofar as placing any other liquid from a special container truck.

Mr. OLSON. We are not professing to be delivering liquid as liquid in tankers. What we are delivering is finished products as you would purchase in the home and store. Our transportation differential is involved in general commodities. This is our mode of operation.

Mr. WATSON. Mr. Olson, when you get into this processing business, then, you are in the same business as these larger dairies?

Mr. OLSON. That is right. We are farmer-owned, farmer-controlled, doing business in the finished product as a continuation of the farmer-produced milk.

Mr. WATSON. You get the milk from around the farms?

Mr. OLSON. Right.

Mr. WATSON. You bring it into your plants. Then you process it into all types of things: cheeses and everything else.