

Mr. OLSON. No, sir; strictly fluid products.

Mr. WATSON. Then you have your trucks go out and distribute it in the various marketplaces?

Mr. OLSON. That is right.

Mr. WATSON. Would you not come into the general processing industry such as Borden's, some of the others you speak of?

Mr. OLSON. That is right. There is a tremendous difference in the size of the people involved here. That is why we mentioned that.

Mr. WATSON. Yes; I am sure of that. The difference in size would not, I think, warrant any distinction between your position and that of the other.

Actually, Mr. Olson, your worry is prospective rather than present, isn't it? You say you are well below the 49 percent ceiling established by the Agricultural Marketing Act. So, if you have any problems they would be prospective rather than present?

Mr. OLSON. If this bill is passed, very definitely they would restrict us to the 15 percent.

Mr. WATSON. You could continue operating as you are now, I assume. You would not declare under this act.

Mr. OLSON. In that it would destroy, of course, our division for transportation because of the small amount of volume of product we would have moving interstate. It would not be economically feasible to continue to operate the division.

Mr. WATSON. In other words, your contention is that this act is directed against the wildcat truckers seeking to avoid the requirements of the Interstate Commerce Commission by posing as farmer groups. Actually, it would be a detriment to yours and two other bona fide farm cooperatives.

Mr. OLSON. We are not trying to put a blanket treatment on it. Our feeling here, once again, is that true cooperatives—the section which we have been legally advised is permissible for us to operate under on a for-hire basis, is one that was designed primarily for true cooperatives, being cooperatives that qualify under the Department. This is why we are not knowledgeable as to other true cooperatives that might be so engaged as we are. So, of course, we are having to set ourselves apart.

We feel that the groups of truckers who have amalgamated and called themselves a cooperative could very well be creating the prospect of disaster to what might have been very honestly established in this section to provide diversification for true cooperatives.

Mr. WATSON. Mr. Olson, you actually believe that you are entitled to continue under the "bona fide cooperative exemption" simply because your stockholders are farmers? Isn't that it? You can have the processing activity and so forth which would remove you from the exemption but simply because your stockholders are farmers then you think that exemption should follow on through the manufacturing process and everything else?

Mr. OLSON. We are required, Mr. Watson, as a cooperative to qualify. Again this is rendering services back to the patrons. These are the people who own the organization, the farmers who own and operate it. We must, as I have said before, we must continue to qualify each year on the basis of services to these members.

Certainly, here is where we feel justified in establishing diversified departments that will help to enhance the way of life for the members.