
New Generation Cooperatives: *Case Study*

*Going Against the Grain: The Story of the Mountain
View Harvest Cooperative*

by David Carter



The New Generation Cooperatives: *Case Studies* are made possible with support from the Illinois Council on Food and Agricultural Research (C-FAR) and the Illinois Institute for Rural Affairs (IIRA).

Published by Illinois Institute for Rural Affairs
Stipes Hall 518
Western Illinois University
1 University Circle
Macomb, IL 61455-1390
iira@ccmail.wiu.edu
www.iira.org

A collection of ten case studies with an introduction is available from IIRA in print and on the IIRA web page.

Quoting from these materials for noncommercial purposes is permitted provided proper credit is given.

Going Against the Grain: The Story of the Mountain View Harvest Cooperative

by David Carter

Introduction

The packaging room of Gerard's French Bakery near Longmont, Colorado, hums with activity these days. The aroma from 14 Revert Ovens fills the large room as workers in hairnets and bakers' white uniforms fill cases with freshly cooled loaves of peasant bread, cracked wheat sourdough, parmesan cheese rolls, boules, and three-foot long sandwich rolls.

It's a scene similar to the activity in hundreds of bakeries throughout the United States each day, but this one is different. The owners of this bakery do not just supply the capital for operations, they also provide the wheat flour used in every loaf of bread. This is a dream fulfilled for the wheat farmers and their families who donned crisp, white baker's aprons in May 1997 to pose for a photo around the sign of the bakery they had just purchased. It was a dream that grew from a vision held by a small band of producers struggling to salvage a failed co-op in early 1994.

Raw determination, careful planning, and good fortune served as the recipe followed by the producers as they organized the Mountain View Harvest Cooperative (MVHC) over a three-year period and then generated \$5 million in equity to purchase a state-of-the art bakery facility.

The farmers who chartered and capitalized the MVHC plowed new ground in the cooperative development arena. Not only did they pioneer the movement into value-added production in the Rocky Mountain region, they also established the nation's first major farmer-owned bakery (Senechal 1995a). These wheat farmers had generated the \$5 million in equity needed to establish the bakery largely because they expected to earn a return on investment by moving forward in the food chain. This wasn't just another business to most members. This was, at last, an opportunity to maintain a degree of ownership and control as wheat flowed from the farm gate to the consumer's table. As one producer later noted, "I always wanted to see my customer."

"Field to table," "seed to sandwich," and other catchy phrases have been coined to describe the modern, vertically integrated marketplace. "Seeing our customers" connotes something more significant. It depicts an actual marketing relationship among agricultural producers and food consumers.

Farmers' common lament that "Consumers think that food comes from the grocery store" captures the frustration that many producers feel about the lack of understanding today's customers have about the realities and rigors of American agriculture. The phrase also has a flip side. Most farmers do not know what happens to their commodities after delivery to the local grain elevator. Some wheat gets shipped to domestic flour mills and food factories. Some flows into the international marketplace. The farmer only knows that someone else, somewhere else,

earns the lion's share of profits in the American food system. Farmers today account for less than 6 percent of the gross domestic production of the food and fiber sector. Processing, marketing, and input supplies obtain the remaining 94 percent (USDA 1998, 1). In chartering Mountain View Harvest and purchasing Gerard's Bakery, 225 Colorado wheat farmers were determined to capture a share of that value-added profit.

Genesis of an Idea

The seeds for the MVHC were sewn among the rubble of a bankrupt Colorado grain merchandising and feed milling co-op in 1994. Farmers Marketing Association (FMA) served the Rocky Mountain region as a viable grain handling and feed milling co-op since 1942. The co-op had experienced a series of unfortunate circumstances in the 1980s. A feed mill fire, a disastrous drop in livestock feed demand, and derailment of a shipment of grain in 1988 triggered events forcing FMA to seek protection under Chapter 11 reorganization the same year. As a result of the bankruptcy, FMA's three elevators were sold to Cargill (Carter and Lauridson 1994). Cargill's purchase of the FMA elevators was the opening salvo by the Minneapolis-based corporation in a major program to acquire grain merchandising facilities in Colorado. By 1989, Cargill owned 82 percent of the grain elevators in Colorado capable of loading unit trains (Nyberg 1992).

Colorado wheat farmers began to complain openly about the erosion of marketing alternatives for their crops. Even as the FMA board struggled to handle the co-op's reorganization, they began to dream once again about reestablishing a presence in the grain market.

Reggie Wyckoff and Tom Lauridson, two producers on the FMA board, began to study co-op development successes in North Dakota. They were especially intrigued by the rapid growth of the Dakota Growers' Pasta Company in Carrington. Wyckoff and Lauridson also noticed that the Rocky Mountain Farmers Union (RMFU) had recently begun to promote the idea of co-op development as a way for producers to regain more control over agricultural markets in the west (Wyckoff 1995).

Producers attending a series of "Community Forums" conducted by the RMFU in 1994 expressed a strong desire to develop new locally based enterprises that provided viable, tangible marketing alternatives. Co-op development emerged from those forums as a tool for producers to accomplish that goal.

Meanwhile, the FMA board met in May 1994 to generate ideas for reviving the grain marketing co-op. Most of the discussion centered on traditional grain marketing ideas. Value-added processing was discussed only briefly. Participants agreed to enlist the RMFU's assistance in exploring all ideas for emerging from Chapter 11.

Early Leadership

In discussions conducted through the summer, Wyckoff and Lauridson began to steer the dialogue toward an emphasis in value-added processing. They were an unlikely duo. Wyckoff, a

dark-haired wheat farmer from Colorado's eastern plains, had devoted a lifetime to the Colorado wheat industry, had been active in the Wheat Growers' Association, and had served as the National Association of Wheat Growers president in the 1980s. By contrast, Lauridson, a tall, gregarious young farmer, had been struggling to maintain a viable wheat operation by tenant farming for a series of landlords in Colorado's rapidly urbanizing Front Range. The conservative, soft-spoken Wyckoff and the liberal, outspoken Lauridson were united by their dogged determination to revive the flailing farmer-owned co-op.

As FMA and the RMFU began to collaborate on the planning, Carter, as president of RMFU, was invited to serve on the co-op's Board of Directors. Ideas were abundant throughout the summer. Discussion ranged from producing specialty flours, and organic wheat products to nonfood items such as fiberboard and insulation. The first task was to secure adequate funding to explore the feasibility of these alternatives. From the board's study of the North Dakota co-op, they knew the feasibility study might cost as much as \$100,000. Lauridson got the chance to personally request that funding from the U.S. Department of Agriculture (USDA) in September 1994.

Testing the Feasibility

Participating in a RMFU legislative "Fly-In" that month, Lauridson was among about 15 ranchers and farmers who met with Michael Dunn, administrator of the USDA's Farmers Home Administration, to discuss an array of agricultural credit issues. He explained that the FMA was working to restart the co-op, and noted that the FMA board would be submitting a proposal for funds to investigate processing and marketing alternatives for Colorado wheat producers.

Dunn indicated that FY94 federal funds were still available to fund that type of feasibility study; however, Dunn added, the grant proposal would have to be delivered within 24 hours because of the impending close of the fiscal year. That evening, Lauridson and Carter "borrowed" the National Farmers Union's Washington, DC office to finalize that grant proposal. With FMA's manager Gene Bevill furiously faxing material from Denver throughout the night, Lauridson and Carter worked to meet the complex criteria for the USDA funds. A formal grant proposal was hand-delivered to USDA the following afternoon. Approval of the grant request the following month provided organizers with vital capacity to engage qualified professionals to assess the feasibility for value-added wheat processing.

Following a brief bidding process, FMA engaged the Massachusetts-based firm of Senechal, Jorgenson, and Hale to conduct the feasibility analysis. Senechal had extensive experience in the food processing and retailing industry, and had carved out a niche during the past decade working with the value-added co-op sector. The feasibility study was conducted in two phases. In the first phase 14 alternatives for merchandising and processing Colorado-grown wheat were analyzed. Ideas examined included grain merchandising, ethanol production, wheat gluten manufacturing, snack products, tortillas, pizza dough, frozen bread dough, and other bakery products.

Each alternative was evaluated based on anticipated volume, profitability, risk, expected market growth, capital requirements, and existing competition. The alternatives were given a green light, yellow light, or red light score under each evaluation factor. Alternatives indicating a high degree of potential would be analyzed in greater detail during a second phase (Senechal 1995).

FMA's traditional business line as a delivery and merchandising elevator was quickly dismissed in the study's first phase. That business emphasis, commonly known as grain origination, was identified as a mature industry with low margins, which is dominated by a handful of Trans-national corporations.

Flour milling and cereal manufacturing were also tagged as a mature industry with low margins, high capital costs, and significant barriers to entry. Ethanol production and wheat gluten production were considered to be extremely risky because those industries depend upon unpredictable government policies. Wheat gluten, for example, is a byproduct of starch production. According to Senechal, the European Union processes significant amounts of starch but has not developed markets for the gluten by-products. The impending passage of the General Agreement of Tariffs and Trade increased the risk that European gluten would be dumped on the world marketplace.

The alternatives of bakery products, pizza crust, and tortilla manufacturing all indicated relatively high degrees of potential success. The in-depth analyses of these alternatives included an overview of industry factors such as market segmentation, growth rates, competitors, and likely outlook. Senechal (1995b) also developed a series of pro forma financial statements, complete with a sensitivity analysis and a risk/return trade-off assessment.

Choosing the Bakery Alternative

After a series of meetings with Senechal, the FMA board determined to pursue a proposal to produce specialty bakery products. According to Senechal's research breads and rolls dominated the bakery industry, accounting for more than \$12 billion in sales, and for 47 percent of the consumption of all baked goods in 1994.

While the overall volume growth in the industry was relatively flat, specific sectors were growing while others were declining: "In dollars, the market has been growing steadily, while volume figures show a market that is relatively flat. This suggests that prices have been rising and/or the market is turning toward higher value products such as variety breads and frozen bread products" (Senechal 1995b).

One small, but growing, segment of the market targeted by Senechal was the area of producing parbake products for the food service industry and for supermarket in-store bakeries. Parbake is a product that is baked to approximately 85 percent of completion and then is flash-frozen to preserve freshness. The end-user fresh-bakes breads by simply thawing the product and completing the baking process.

The study noted that parbake products were well-positioned to benefit from the shifting dietary habits of modern consumers. More than 75 percent of all grocery stores had in-store

bakeries in 1993. That percentage was expanding rapidly as grocery stores focused upon the food category known as Home Meal Replacement. Even so, scarcity of trained labor was listed as the number one concern of all supermarket in-store operators (Senechal 1995a). Consumers have also indicated that they will make significant shifts in their bakery purchase patterns to in-store bakeries and away from the commercial bakery rack in supermarkets (Bakery Production and Marketing 1996).

Several major obstacles were evident in the initial feasibility analysis. First, Senechal estimated that construction of a new parbake facility would require \$26 million in capitalization, of which \$11 million would be provided as an equity investment by growers. The study also projected that a bakery of this size would use only 349,000 bushels of wheat annually. “You can make a lot of bread with a little dab of wheat,” Senechal reported to the FMA Board of Directors (Wyckoff 1995).

The FMA board estimated that no more than 500 Colorado wheat farmers were potential investors in a value-added wheat co-op of this scope. Board members began to seriously question the ability to convince 500 growers to invest \$22,000 each in a venture that would not even use the wheat grown on 20 acres apiece.

The concept of parbake bread manufacturing marked a dramatic departure from FMA’s traditional expertise in the grain handling and feed milling businesses. Senechal suggested that FMA could address these factors by developing a partnership agreement with an existing industry player in the parbake business. Acting on the study’s recommendation, the FMA board entered into negotiations with a New York-based industry leader in October 1995.

The FMA board was far from its expertise in conducting negotiations of this nature. The proposed business arrangements were extremely complex. In addition, the time commitment required to move this project through the next phases exceeded the abilities of the volunteer board of directors.

Rocky Mountain Farmers Union’s for-profit subsidiary had recently helped organize a limited liability company operating under the name of Rural Business Ventures (RBV). The principals of RBV included a Certified Public Accountant, an attorney, and a Merrill Lynch investment advisor. The RMFU for-profit subsidiary authorized a \$25,000 interest-free loan to FMA to fund the work of RBV in assisting in the negotiations with the New York company.

Weathering the Storm

The months from December 1995 through July 1996 marked a stormy period in the co-op formation period. Much of that storm raged inside the FMA boardroom. The FMA board chairman was a western Colorado rancher who had joined the co-op years ago because of FMA’s feed milling business. Although he supported the movement into value-added production, he knew that the “new” co-op would primarily serve the farming community, not ranchers. He stepped down from the board in December 1995.

The chief executive officer of FMA balked at the value-added concept. He was convinced that export marketing of bulk, identity-preserved commodities represented the best future for

reviving FMA. He also resigned in December 1995. The remaining board rallied behind the value-added parbake concept, sometimes referring to the project as “the half-baked co-op,” wondering at times if the idea was in fact half-baked.

Negotiations with the New York company began to flounder. The RBV consultants analyzed the company’s various proposals, determining that each placed the fledgling Colorado group at a serious disadvantage. Several offers amounted to little more than a “preferred provider” arrangement for marketing the wheat of participating Colorado growers to the New York company.

A Critical Juncture

By July 1996, the project had hit a dead end. The prospect of generating \$11 million from Colorado growers for a new facility seemed insurmountable, and the negotiations with the existing industry player were going nowhere. Justin Eisenach, the investment advisor consultant with RBV, had located two Colorado bakeries that might be available for purchase by a cooperative of wheat farmers. One of those bakeries was already moving into the parbake arena.

The months of negotiations with the New York company had taken its toll. The board had met as often as every other week. So far, there was little progress to show for the effort. Energy was rapidly ebbing among the small core of dedicated board members who had driven the project with the assistance of the RMFU and the RBV consultants. Any chance of moving forward would require renewed energy from a wider circle of wheat producers. After all, the co-op board of directors had made assumptions about the desires of Colorado’s wheat producers for more than 18 months. It was time to test those assumptions.

Project organizers held a dinner meeting in eastern Colorado in July 1996 and invited a small group of leading area wheat farmers to review the status and outlook for the project. The 14 farmers attending the dinner meeting in Limon listened as Wyckoff, Lauridson, Eisenach, and others reviewed the developments of the past 18 months. They discussed the feasibility analysis, reviewed the failed negotiations with the New York company, and forwarded the idea of exploring the purchase of one of the local bakeries.

Several producers at the meeting supported the idea of investigating the purchase of a bakery, but they felt that the FMA structure added too much “baggage” to any economic development plan. After all, the co-op had struggled through eight years of bankruptcy and still listed many farmers among its list of creditors.

Mountain View Harvest Cooperative Comes to Life

The group agreed that evening to completely restructure the project. While four FMA board members—including Wyckoff and Lauridson—continued to serve on the steering committee, five new members brought new perspectives and fresh energy to the project. The new group agreed to move forward under the name of Mountain View Harvest Cooperative. The project was energized once again, and a flurry of activity unfolded during the next five months.

Legal documents were drafted formally establishing Mountain View Harvest Cooperative. One of the documents was a membership subscription agreement, which requested \$500 from interested producers. That money was dedicated solely for the purpose of funding the co-op's formative process.

Initial inquiries were made with the owners of the Colorado bakeries. The owner of Gerard's French Bakery near Longmont indicated some interest in selling his business to a group of Colorado wheat producers. This triggered a series of negotiations that led the committee into some uncharted waters in co-op development.

Most co-op development efforts center on a brand-new business. Federal agencies and co-op lenders were accustomed to projects that propose green field construction or that purchase a facility with the intent to convert it to a new co-op enterprise. This situation was different.

Colorado wheat farmers were offering to purchase a bakery with an existing customer list and established annual sales of \$6 million. The Colorado wheat producers were interested as much in the owner's customer list as they were in the physical assets of the bakery, which was much smaller than the enterprise recommended in the Senechal feasibility study. While the smaller size reduced the amount of capital needed by the Colorado producers, it also reduced the potential earnings that could be distributed among a large group of investors.

Eisenach and a CPA working through RBV developed a business plan around the idea of a farmer-owned co-op purchasing Gerard's French Bakery. The plan indicated that co-op ownership was feasible if the bakery engaged in an aggressive growth campaign in order to generate patronage dividends necessary to entice adequate grower interest.

Intensive negotiations were conducted with the bakery owner. He agreed to sell the business operations and the equipment for \$6 million; however he wished to retain ownership of the physical facilities. That figure represented one dollar in purchase price for each dollar in annual sales. The co-op would have a ten-year lease, with two five-year rights of renewal on the building.

Financing Poses a Challenge

This agreement limited the steering committee's access to financing. Co-op lenders wanted to have physical assets as collateral against loans. Financing discussions became entangled with disagreements over the issue of financing the "blue sky" value of an existing business.

When the steering committee and the bakery owner settled on a purchase price of one dollar for each dollar of sales, the co-op lenders balked. Financing appeared unattainable. The owner, however, said that if the farmers could generate \$5 million, he would carry the balance of the purchase price.

The business plan was revised, and reanalyzed, in light of this scenario. The new plan underscored the need for an aggressive growth strategy. The steering committee knew that the maximum target audience for this project was approximately 500 commercial wheat producers who were active in either RMFU or the Colorado Association of Wheat Growers. Not all of these

farmers were likely to invest in a project, however, so the committee decided to try to recruit 400 wheat producers.

Several factors complicated efforts. The bakery's flour consumption equaled less than 200,000 bushels of wheat. One large wheat producer could supply all of the company's annual flour needs. Eisenach (1999) explains, "We knew that there were other projects that would utilize more wheat. But we felt the parbake end of the bakery business offered excellent potential for success. We determined that, if we succeeded with a small operation, we could use that business as a platform to move into other areas that would use more wheat."

Milling the wheat into flour also posed a problem. Wyckoff knew that the new co-op had to be able to control the quality of the product from the farmers' bins to the bakery; however the only major flour milling company in Colorado was owned by one of the corporate giants already entrenched in the baking business. There was a consortium of local farmer co-ops which had organized Rocky Mountain Flour Milling, a limited liability company (LLC), for the purpose of constructing a flour mill in the nearby community of Platteville. That flour mill, however, was targeting the organic flour market. Negotiations with the Platteville mill determined that the facility could handle conventional wheat, as long as the equipment was cleaned between runs of conventional flour and organic flour.

The next problem arose with delivery of wheat to the co-op. Project organizers knew that if farmers were required to supply the high-quality wheat needed by the bakery, they must be able to deliver at least one truckload each year. The board located a grain elevator facility for sale near the flour mill which was for sale. The facility was old but in working condition. The owner offered to sell it to the new start-up group for \$160,000.

After months of wrestling with the problem, the committee finalized a proposal to purchase the bakery and elevator for a total of about \$6.5 million, with \$5 million coming in the form of a producer equity investment. Farmers joining the new co-op would be obligated to deliver a truckload of wheat (900 bushels) to the co-op each year. The best wheat would be segregated, and the remainder merchandised on the open market. The segregated wheat would be transported to the Platteville mill to be processed into flour, thus meeting the bakery's specifications.

The committee determined to sell 400 shares in the co-op for \$12,500 a piece, with each share carrying an obligation to deliver 900 bushels of wheat to the co-op each year. Wheat would be purchased by the co-op at the market price, but investors would expect to earn a return on their equity investment in the new co-op.

But how many farmers could afford to pay \$12,500? According to Eisenach (1999),
We needed to make investing in this new co-op as easy as buying a new pickup truck. So, we started working on a GMAC-type investment program for co-op shares. The Farm Credit System stepped forward to work with the steering committee to devise an equity investment financing plan. Qualifying producers could obtain a five-year signature loan to purchase shares in the new co-op.

Equity Drive Launched

With a prospectus developed by the consulting attorney and a briefcase-full of solicitation materials, Eisenach, Wyckoff, and other members of the steering committee launched the equity drive in November 1996. They conducted a whirlwind tour of 63 meetings over the next four months of groups ranging from 2 to 20 individuals. By March 31, 1997, the last share of stock was sold. While only 225 producers had joined the new co-op, several had purchased more than one share of stock. Eisenach had worked on MVHC nearly full-time since July 1996. He now agreed to serve as chief executive officer for the co-op. With the necessary equity in hand, the producers completed the purchase on April 15, 1997. One month later, the co-op's initial annual meeting celebrated the purchase of the nation's first major farmer-owned bakery.

Gerard's French Bakery has experienced 35 percent annual growth in the two years following that purchase. The rapid growth has required the co-op to plow revenues back into the business. A \$140 per share dividend was distributed to the members at the end of the first fiscal year. Earlier this year, the board conducted a series of seven "Members' Update" meetings with stockholders throughout the state. Members attending the meeting agreed to forego a dividend in the current fiscal year to capitalize the purchase of additional processing and packaging equipment, as well as to invest in expanded freezer capacity.

Additional customers and expanded sales to existing clients pushed the sales volume above \$1 million for the month of June 1999. The expanded sales pushed the bakery's profitability above the break-even level required by the new capital investments.

Though no formal market exists for trading stock in the co-op, the bylaws require the board of directors to approve each transaction as a means to assure that the cooperative remains in the hands of active producers. The most recent shares of stock have traded for \$15,000 per share.

Factors for Success

The following factors contribute to the ongoing success of Mountain View Harvest Cooperative:

- The producers purchased an ongoing, successfully operating business. The new co-op was spared the trials of wading through green field construction, initial market penetration, and other factors associated with many start-up businesses.
- The co-op retained the existing management. All of the key employees stayed with the bakery during the transition. Those employees were offered an opportunity to purchase stock in the bakery, thus sharing in the risks and rewards of ownership.
- The co-op brought in new expertise from the industry. When the board moved to hire a national sales manager and a production manager, it sought individuals with industry experience. MVHC successfully located experienced personnel with large industry leader bakeries, who were excited about the prospect of joining a feisty, growing company. The new national sales manager brought contacts with major retail outlets

across the nation, while the new production manager built his career with a major company on a specialized knowledge of unique variety breads.

- The board navigated a difficult transition period. As the project transformed from an organizing effort to an operational business, the board changed its role from that of a steering committee to a formal board of directors. Two wheat producers on the steering committee stepped aside at the outset, allowing the members to elect two new directors at the initial annual meeting. During the next year, two other directors, including Wyckoff, resigned from the board. The board established a vacancy committee to select new directors who could bring solid experience in the wheat marketing industry. One director brought with him an extensive background in private industry, and another had served as the executive director of the Colorado Wheat Administrative Committee since the early 1980s.
- The co-op's rapid success with the bakery created an immediate need for new equipment and other capital improvements. The addition of cryogenic tunnel freezers, the construction of additional loading docks and freezer space, and the purchase of other packaging equipment increased the co-op's fixed costs and, thus, pressured the short-term bottom line.
- The grain elevator purchased by the co-op served as a drag on the bottom line. The facility was in worse shape than at first thought. The steering committee had relied on the judgement of one of its members to determine the elevator's viability. In the rush of finalizing the purchase agreements, other steering committee members failed to conduct adequate analyses. Extensive repairs of the elevator's handling and storage equipment were required to keep the facility operational. Maintenance of the elevator drained capital and management resources from the bakery. In early 1999, the MVHC Board of Directors negotiated an arrangement with Rocky Mountain Flour Milling to handle direct wheat deliveries at their facility. Rocky Mountain Flour Milling agreed to provide MVHC exclusive use of a couple of their storage bins at the flour mill. The arrangement included assurances that the wheat from the co-op's members would not be blended with nonmembers' wheat. Because of the new agreement with Rocky Mountain Flour Milling, the board was able to lease the elevator to a private business.

Early Results

Mountain View Harvest Cooperative is now entering its third full year of operation as a bakery. The growing pains inflicted by rapid growth have subsided as sales climbed above the break-even mark. Total sales for FY99 are projected to exceed \$12 million, and Gerard's was selected as a recipient of the 1998 "Ten That Can" award presented each year by the Colorado Office of Economic Development.

Return on investment in the co-op has not yet matched the returns producers could have anticipated in the stock market. Even so, participants in the venture seem enthusiastic about their success in establishing ownership in a growing segment of the food processing sector.

In fact, Eisenach (1999) notes, “When we went out to visit with shareholders about the need to retain our earnings to capitalize growth this year, we anticipated that some shareholders might have wanted to sell their stock. Instead, we came back with an increased waiting list of producers wanting to buy new shares. Our members believe that we are in the right business, at the right time.”

“We haven’t yet made the 30 percent returns we’d like to make,” stockholder Jay Wisdom (1999) told a recent gathering of producers investigating another type of value-added co-op. “But I figure that the two shares of stock my family bought were about the equivalent of a new pickup truck. By now, that pickup would be pretty well depreciated. But my stock in Mountain View has appreciated by 20 percent.”

As Colorado’s wheat farmers look toward the uncertainty of commodity prices for their crops, 225 producers now know that they have successfully developed an ownership stake in a higher, more profitable level of the food production business.

Bibliography

- 1996 Industry Outlook. 1996. *Bakery Production and Marketing* (January 15).
- Carter, Dave, and Tom Lauridson. 1994. Proposal for a Feasibility Study for Development of a Specialty Wheat Value Added and Marketing Cooperative. Grant proposal submitted to the U.S. Department of Agriculture.
- Eisenach, Justin. 1999. Personal conversation with Dave Carter.
- Nyberg, Bartell. 1992. Cargill’s Colorado drive sows concern. *The Denver Post* (June 24): Section G, 1.
- Senechal, Don. 1995a. Farmers Marketing Association Growing Processing Opportunity Screening: Phase I—Working Session. Danvers, MA: Senechal, Jorgenson, Hale & Co., Inc.
- Senechal, Don. 1995b. Farmers Marketing Association Growing Processing Opportunity Screening: Phase II —Working Session. Danvers, MA: Senechal, Jorgenson, Hale & Co., Inc.
- U.S. Department of Agriculture. 1998. *The Status of U. S. Agriculture*. Commission on 21st Century Production Agriculture, U.S. Department of Agriculture.
- Wisdom, Jay. 1999, July. Presentation to the Colorado Woolgrowers Association Annual Convention, Grand Junction.
- Wyckoff, Reggie. 1995, August. Discussion with Don Senechal.