The Community Meat Ring

J. M. Brander

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The Community Meat Ring

By

JOHN M. BRANDER
County Agent, Armour, S. Dak.

The Manager of the “Meat Ring” at Work

EXTENSION DIVISION
SOUTH DAKOTA STATE COLLEGE OF
AGRICULTURE AND MECHANIC ARTS
C. LARSEN, Director

BROOKINGS, SOUTH DAKOTA
THE COMMUNITY MEAT RING

"Fresh meat regularly and at reasonable prices" is what a rural community in Douglas County has adopted as its slogan. To have fresh meat whenever desired from farm butchering livestock is too often considered practically impossible on account of the rather limited amount of fresh meat that a family could use before the meat spoils. To get it regularly from a butcher shop involves added time aside from the fact that very high prices are charged. The salting, curing, smoking and other methods of meat preservation are practiced to a certain extent by farmers throughout the country, but supplies of meat kept in this way generally become exhausted in late summer, and furthermore, meat so preserved cannot take the place of fresh meat. To remedy this meat problem, the rural community west of Armour, South Dakota, with the assistance of the Farm Bureau, formed a "Community Meat Ring."

The success of the enterprise has been so outstanding that it was deemed best to describe the organization and its method of doing business so that other interested communities might avail themselves of a similar activity. The Community Meat Ring feels that it has demonstrated that so far as meat is concerned the present high cost of living is not due to the producer getting top prices for his product, but it is due to a faulty system of distribution. Why should the farmers of any community send livestock needed for home consumption to a central market for slaughter? By so doing the finished meat product they purchase is very high in price when it might just as well be obtained at a reasonable price through a little cooperative effort in the home community.

Advantages of a Meat Ring

What are the advantages to be derived from such an organization, is the question usually asked. Briefly they are as follows:
1. Fresh meat at all times at cost is afforded.
2. There is only one handling charge from producer to ultimate consumer.
3. A first-class product is assured. The buyer does not pay quality prices for inferior products.
4. The expense of curing or preserving meat is eliminated.
5. No meat is spoiled or wasted.
6. The housewife is saved a lot of work caring for a large quantity of meat at one time.
7. A spirit of cooperation beneficial to the community is fostered.
8. It eliminates an unpleasant task on most farms as few people are in a position to properly butcher and cut up their meat, besides, many have a great dislike for such work.

The Douglas County Meat Ring has demonstrated that one of the greatest benefits from such an activity is its educational value. Men of all ages who had handled meat all their lives in a more or less haphazard way have stood for as long as an hour at a time watching the manager cut up the different parts. They are very much interested and as a result of their discussion and observation they are much better posted than they were before.
The territory supplied by this organization is entirely agricultural and radiates from five to eight miles in all directions from the point of distribution which is two and one-half miles from any town. The accompanying community map will illustrate how the patrons are located with reference to the nearest town and to the distributing point. The same figure, or character, indicates how the community divides off into groups; these groups get their meat cooperatively; that is, one man gets the meat for the entire group one time, and some other one gets his the next and so on until it goes around the entire group. In this way the getting of the meat is a negligible item.

The Douglas County Meat Ring Compared with Other Types of Meat Rings

The idea of farmers killing their own meat cooperatively, each taking a piece of every carcass, is not new, but so far as has been ascertained this is the first farmers' organization not doing a commercial business, that will sell whatever cut of meat desired to its members at cost prices.

The details of similar organizations might differ, but the general plan followed was for a group of farmers to agree to get their meat together. Each would contribute an animal when called upon which was slaughtered and cut up into definite cuts. These cuts were numbered and every one took them in rotation until each had used the entire carcass. That this plan did not work out very satisfactorily is attested by the fact that there are a comparatively few in existence notwithstanding the fact that a quite authentic record of their existence goes back nearly a half century. The principle objections seem to have been: first, that every family would not require the same amount of meat at each stated interval when distribution was made;
second, that there was too wide a variation in the size and quality of the animals killed, and third, that under this plan it was difficult to keep records so each patron got full credit for what he contributed and only paid for what he received.

According to the plans under which this organization is conducted, the manager pays cash for all animals bought and is under instructions to purchase only the best. He buys on the open market regardless of whether the owner of the stock is a member. The following is a statement by the manager:

"The quality of the animals I secured are what are known on the terminal markets as killers or butcher stuff. I find there is less waste and a higher dressing percentage of good meat to that class of stuff. I buy them on the open market, or lump them, whichever is most satisfactory to the seller. I have been paying Sioux City prices so far, which has enabled me to get the very best. I find the heavier cattle cut up more satisfactorily producing a better quality of meat when the same degree of fleshing is shown.

"At present (December) we distribute meat once a week. I do the killing on Friday, cutting it up and apportioning it out on Saturday forenoon. When we started we made a chart of half a carcass dividing it as near to the different cuts as was possible on paper, each cut weighing from five to ten pounds depending on the size of the animal. To determine what cut of meat each man would get the first time, we placed as many slips of paper with numbers corresponding to the cut of meat into a hat and then allowed each man one draw for each five pounds of meat he used. It was then left for me to change the different cuts so each one would get a different cut each time. In this way we figured we could keep everyone satisfied and still dispose of the entire carcass.

"The plan above worked out quite satisfactorily, but after the first month I let everyone have whatever he wanted and disposed of it all just as easy, as the difficulty was to sell the steaks and more choice cuts and not the cheaper cuts as we had anticipated.

Cutting the Meat and Establishing Values

"How the carcass is cut up and what price to charge for the various cuts can best be illustrated by referring to chart, page 5.

"As a basis of calculation we decided that any beef we wanted to kill would dress out 50 per cent of edible meat and we have demonstrated that this is conservative. To illustrate: An 800 pound beef costing eight cents per pound would dress out 400 pounds of beef costing sixteen cents per pound, PLUS the cost of killing, LESS the value of the hide and offal. To determine the selling price of each grade of meat as divided in the chart, the good roast cuts (see chart for grade C) should sell for carcass price or 16 cents per pound; the steaks (see chart for grade D) should sell for one-half more or 24 cents per pound; the boiling meat, (see chart for grade B) sell for three-fourths of carcass price or 12 cents per pound and the shanks, or soup bones, (see chart for Grade A) for 5 cents per pound. The liver, heart and tongue sell for 8 cents per pound and the suet for 5 cents per pound.

"This is the basis upon which we calculate the selling price of the meat regardless of the cost price per pound of live weight, and it works out almost absolutely correct so far as getting enough money to pay for the meat and any other expenses are concerned, though perhaps a dietitian would not agree with this rather arbitrary division of prices."
Chart Used by Douglas County, South Dakota, Farm Bureau Community Meat Ring Illustrating Way Carcass is Cut. Worked out by J. M. Brander, County Agent and N. N. Nelson, Manager, Armour, South Dakota.
“The problem in a meat ring is not MEAT VALUES, but is that of disposing of the entire carcass so there will be no waste or loss. The only way to dispose of the cuts that are less in demand is to so arrange a scale of prices that everyone will be satisfied regardless of whether they get soup bones or T-bone steak. With this arrangement of prices the steaks have been the last cuts purchased which is best explained by studying the chart illustrating the grades and prices. On this chart the figures have nothing to do with either the price or the weight of the cut, but simply represent the number of the cut as the halves are divided after this definite plan into pieces weighing from five to ten pounds each.”

He says further: “I cut the roasts into pieces weighing from five to ten pounds each depending upon the size of the animal killed. A beef that will dress from 600 to 700 pounds will cut a roast weighing from nine to ten pounds by taking the top ten inches of two ribs; one dressing from 350 to 450 pounds will cut a roast weighing from 4 3-4 to 6 pounds for the same amount of rib.”

**Keeping Records**

The accompanying picture of a page from the ledger illustrates the plan of bookkeeping. These cardboard sheets are tacked up on the wall so anyone can see just what the other members are getting. This method absolutely eliminates the possibility of the complaint being made that some were getting better meat than others.

Distributing is done on certain days and as often as conditions warrant. During the hot summer months it is necessary to distribute two or three times a week, but this is done between specified hours on certain days so as to not take too much of the manager’s time, but during the fall, winter and spring months once per week seems sufficient.

The business month ends on the 28th day of each calendar month. The manager then makes out an itemized statement presenting it to the patrons’ bank where it is honored as a sight draft and paid. The patron then gets this statement with his monthly bank statement two or three days later, or at the end of each month. If any error has been made in any account, it is willingly corrected upon being presented to the manager.

**Financing the Meat Ring**

To finance the organization it is best to go to the local bank and give a note signed by the officers of the organization for whatever amount will be needed to take care of the expenses for the first month, charging the interest to the association. This gives the manager cash to buy with enabling him to buy cheaper and is a more satisfactory way of doing business.

Another way it can be financed is for the member to contribute a certain sum, say five or ten dollars each, which is credited to their account, but this involves more bookkeeping and is not quite so satisfactory as borrowing the money and paying the small sum the interest amounts to.

The manager works on a commission, the amount of which will depend upon the quantity of meat handled; the larger the quantity the less the commission for each member and vice versa, but from two to three cents per pound of dressed meat seems about right according to present prices. The value of the hide and offal, at present
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Chart Showing Method of Bookkeeping. Names and Figures Taken From One of the Cardboards Used by the Manager. Four Different Killings are Represented on this Chart.
prices, easily takes care of the commission and the money obtained from the sale of the heart, liver, tongue and suet pays for the string, wrapping paper and other small incidentals.

**What the Meat Ring Did to the High Cost of Living**

At the time this organization was formed, prime range steers were selling at from 7 to 9 cents per pound so a comparison of what local meat markets were retailing meat for and what the Community Meat Ring sold meat for is interesting.

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<tr>
<th><strong>Community Meat Ring</strong></th>
<th><strong>Local Meat Markets</strong></th>
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<tr>
<td>Steaks, 18 to 25 c per lb.</td>
<td>Steaks, 40 to 50c per lb.</td>
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<tr>
<td>Roasts, 13 to 18c per lb.</td>
<td>Roasts, 35c per lb.</td>
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<tr>
<td>Boiling meats, 9 to 13c per lb.</td>
<td>Boiling meats, 28 to 35c per lb.</td>
</tr>
<tr>
<td>Soup bones, 5c per lb.</td>
<td>Soup bones, 25c per lb.</td>
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<tr>
<td>Heart, 8c per lb.</td>
<td>Heart, 35c per lb.</td>
</tr>
<tr>
<td>Liver, 8c per lb.</td>
<td>Liver, 30c per lb.</td>
</tr>
<tr>
<td>Tongue, 8c per lb.</td>
<td>Tongue, 30c per lb.</td>
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<tr>
<td>Suet, 5c per lb.</td>
<td>Suet, 20c per lb.</td>
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Competition by a retail meat market is practically impossible as there is no profit, no risk and no loss in the Community Meat Ring.

It is necessary to provide some place that can be kept clean and sanitary to which to keep the meat. At the beginning the manager did the slaughtering outside and the cutting in a new building he had erected for a garage. Twenty-eight families were then taking meat, but at the end of two months there were a total of sixty-eight families getting their meat through this organization and more had applied.
To handle this amount of meat it was found necessary to erect some building for this specific purpose. A general meeting of the membership was called and it was voted to erect a building sufficiently large to provide room for slaughtering, cooling and cutting up. To provide the necessary funds, an assessment or membership fee of ten dollars each was levied with the understanding that if there was any of it unexpended it was to be prorated back to the members. The accompanying diagram shows the outline of the proposed building to be erected.
CONSTITUTION AND BY-LAWS OF THE COMMUNITY MEAT RING

Article 1.
This organization shall be known as "The Community Meat Ring" and shall be located in the County of Douglas, State of South Dakota.

Article 2.
This organization shall have for its purpose the purchasing and distribution of animals, fish or fowl or their products, at cost prices to its membership.

Article 3.
For officers, there shall be six Directors, a Secretary-Treasurer and a Manager. The Directors shall be elected from the membership by popular vote but it shall not be necessary that the Manager or Secretary-Treasurer be a member of the organization. Two of the Directors shall be elected for a period of one year; two for a period of two years and two more for a period of three years and all shall hold office until their successors have been duly elected and qualified.

Article 4.
The membership shall meet annually on the first Wednesday in November to elect their officers for the ensuing year and to transact any other business that may properly come before them. So soon as the Directors are duly elected and qualified they shall meet and elect from their number a President and a Vice-President. A Secretary-Treasurer shall also be appointed. They shall also engage or hire a manager and transact any other business that may properly come before them for the benefit of the organization.

Article 5.
At any regular or special meeting of the Board of Directors, a majority shall constitute a quorum.

Article 6.
Any person acceptable to the Board of Directors and the Manager may, upon payment of the membership fee, become a member of this organization and enjoy all the rights and privileges arising therefrom. The amount of such membership fee shall be determined by the Board of Directors or by the membership at any regular or special meeting from time to time as conditions warrant or make desirable.

Article 7.
The Manager shall purchase all supplies, slaughter all animals, properly cut them up and apportion them out to the patrons of the organization and do all other duties pertaining to the management of the business. He shall keep an accurate record of all moneys either expended or received from any or all sources and a complete record of all meats or products delivered to any one. The books shall be open for inspection to any member of the organization at any reasonable time. He shall also give, for the faithful performance of his duties, a surety bond equal in amount to twice the sum he may have on hand at any one time. Any expenses incurred in procuring such bond shall be assessed against the organization as a legitimate expense and shall be paid out of any funds available for that purpose.
Furthermore, the manager shall be responsible to the Board of Directors at all times and shall abide by all rules and regulations promulgated by them from time to time until the membership shall have voted upon the question. He shall receive for his salary or compensation, a specified sum agreed upon with the Board of Directors.

Article 8.

The business month shall end on the 28th day of each calendar month, at which time the Manager shall make out an itemized account of all meat or products obtained by each patron. This statement shall be presented to the patrons' bank where it will be regarded as a sight draft and paid. This shall be charged off against their checking account so they will receive this statement with their monthly bank statement at the end of each calendar month.

Article 9.

These articles may be amended upon majority vote at any meeting.
Cooperative Extension Work in Agriculture and Home Economics, South Dakota State College and U. S. Department of Agriculture Cooperating.