

**The Story of a**

# **COOPERATIVE**

**by Savele Syrjala**



**A Brief History of**

**United Co-operative Society of Fitchburg**

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# THE STORY OF A COOPERATIVE

*A Brief History of United Co-operative  
Society of Fitchburg*

by

SAVELE SYRJALA



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**D**edicated to the founders of the United Co-operative Society of Fitchburg who caught the vision of what could be achieved by cooperative effort, and to the members through whose loyalty and persistence a successful cooperative enterprise has been built.



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# COOPERATIVE PRINCIPLES AND METHODS



The key to the success of the cooperative founded by the 28 pioneers of Rochdale, England, in 1844, to which the world wide movement dates its origin, is attributed to the sound principles formulated by these pioneers. These principles have become known as the Rochdale Principles of Cooperation and have been adopted by the organized cooperative movement. How well cooperatives observe these principles determines their success or failure.

The Rochdale principles and methods are:

1. Democracy of control: Each member one vote.
2. Limited returns on capital: Not more than the current legal rate of interest paid.
3. Savings-returns: If a surplus-saving accrues from the difference between the net cost and distribution price, it shall be returned to patron members in proportion to their patronage.
4. Unlimited membership.
5. Cash business.
6. Allocation of funds for cooperative education.
7. Neutrality in political, religious, and other controversial subjects.
8. Federation of cooperative societies.
9. Expansion into other fields of service.

## FOREWORD



The idea for this booklet came from the education committee. In considering the plans for observing the thirty-fifth anniversary of the Cooperative in 1945 the Committee decided in favor of this booklet in preference to a movie because it would be of more permanent value to the Cooperative. Furthermore they were also aware of the fact that a number of times in the past a printed story of the Cooperative had been undertaken but unfortunately was not seen through to completion. Now it was believed that the time had come to publish a brief history of the Cooperative.

The writer was assigned the task and work was begun. Due to many pressing problems confronting the Cooperative during 1945 because of the war the thirty-fifth anniversary was not celebrated. Neither was the booklet published. The failure to publish the booklet at the time no doubt was disappointing. However, in retrospect the delay in publishing the story in 1945 was fortunate in that it is possible now to record an important change in management that took place January 1, 1947 when Arvo Mandelin resigned after serving as manager for nearly eleven years and Waino Aalto succeeded him.

In writing the booklet considerable amount of research had to be done because material previously gathered had been misplaced or lost. The minute book for the first five years which is still in the possession of the Cooperative was of great assistance in checking back on the early years. The back files of the Finnish daily *Raivaaja* have been an invaluable source for

checking on dates, names, financial statements, and progress through the thirty-seven years.

For their interest in reading the manuscript and helpful criticism and suggestions the writer wishes to express his appreciation to: Dr. James P. Warbasse, president-emeritus of the Cooperative League of the U. S. A., Ellis Cowling, author of "*Cooperatives in America*," George Makela, editor-in-chief of the *Raivaaja*, and Dr. Kenneth W. Porter of the history department of Vassar College. Former manager Arvo Mandelin has been most helpful in reading the manuscript with the writer, checking on facts and making many valuable suggestions for improvement. Miss Dorothy Soderlund deserves mention for preparing the manuscript for the printer, and the author's wife, Rachel R. Syrjala, for typing the manuscript.

The writer is also indebted to the committee appointed by the board and the education committee to supervise the publication of this booklet. The committee included: Henry Puranen, Arvo Mandelin, Lily Laakso, Lila Mandelin and Rauha Waris.

With this explanation of the background of this booklet and acknowledgment of assistance the writer presents this story of the United Co-operative Society of Fitchburg to the literature on cooperation.

SAVELE SYRJALA

May 11, 1947  
Watertown, Mass.



The discrepancy in the spelling the word cooperative in the text and the name of the Society, that is, in one case without a hyphen and in the other with the hyphen should be explained. In 1921 when the present name of the Society was legally adopted cooperators used the hyphenated spelling, namely, co-operative, but since then the Cooperative League of the U. S. A. has adopted the spelling without the hyphen — cooperative — and uses it in all the literature published by it.

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## Chapter I

### THE BACKGROUND OF THE PEOPLE

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The United Co-operative Society of Fitchburg\* was founded by Finnish-Americans who, through fair and stormy weather, have remained loyal to their society and made it the important Cooperative enterprise that it is today. Consequently, to appreciate fully and understand the story of the Fitchburg Cooperative, it is important to sketch briefly the background of its founders — the Finnish-Americans.

Our story begins in Finland, the small European republic some five thousand miles from Fitchburg, from whence the founders of the United Co-operative Society migrated to America. We go to Finland to learn something about the country, her people, culture and conditions which prompted Finnish-Americans to leave their ancestral home and come to America.

Finland's northern extremity reaches into the Arctic Circle but fortunately the southern part of Finland, where most of her people live, is warmed by the Gulf Stream so that the weather is not much different from that of northern New England. In area Finland is about as large as the New England states plus New York and Pennsylvania. She is not rich in natural resources. Small deposits of nickel and other metals have been found. Her forests constitute her greatest economic asset and are often referred to as her "green gold." The exportation of lumber, pulp, cellulose and other wood products to the markets of the world has provided her with a medium of exchange for obtaining raw materials and manufactured products which she does not herself produce.

Finland is principally an agricultural country with two-thirds of her 3,800,000 population living on farms. For the most part the soil is not rich and it is only through hard work and patience that crops of rye, wheat, oats, barley, sugar beets, flax and hemp are raised. A late Spring and early Fall make her growing season short but the long days in June and July, when the summer sun scarcely sets, make it possible for the Finns to raise the same crops that are raised in the northern New England states.

Because Finland has not been blessed with rich natural resources the struggle of her people for existence has not been an easy one. It is only through planned cooperative effort that they

\* Fitchburg, and industrial city 50 miles west of Boston with a population of 43,770.



have procured the necessities of life and that she has survived as a nation against the pressures which through the centuries have been exerted upon her by her neighbors.

The Finns have sometimes been called a "mystery" people because their origin has never been clearly and definitely traced. It is believed that their forebears were nomads from Asia who settled in Finland some two thousand years ago. But beyond that their origin is merely a conjecture.

The Finns are not ethnologically related either to the Russians on the eastern border or the Swedes across the Gulf of Bothnia (though after generations of foreign rule a small percentage of intermarriage has naturally occurred). Neither is the Finnish language even distantly related to either Russian or Swedish but belongs to the Finno-Ugrian language grouping. The language of the Esthonians directly south of Finland is closest to Finnish, while the Hungarian language is a distant cousin.

Finland was an independent nation until the twelfth century, when the Crusaders from Sweden conquered and annexed her to their country. For the next six hundred years Finland lived under Swedish rule until Russia, in 1809, defeated the Finnish army in battle, took over the country and made her a Grand Duchy of Imperial Russia. But with the ascension of Nicholas II to the imperial throne in 1894 a marked change took place in the policies of Russia toward Finland. Nicholas was determined to be an absolute ruler of the Finns and soon instituted a merciless campaign to Russianize them.

General Bobrikov, who had won notoriety as a ruthless administrator in the Baltic provinces, was sent to impose the will of the Tsar on the Finns. Finland's political freedom and independence was shackled. The press was muzzled, wires tapped, mail censored. Tsarist agents infiltrated everywhere keeping an ever vigilant eye on all phases of Finnish life. Agent provocateurs were employed to spy on all Finns. The Finnish army was disbanded in fear that they might rise to defend the autonomy of Finland.

These oppressive steps to Russianise the Finns gave impetus to a growing Finnish nationalistic movement. It also gave birth to a labor movement which performed noble work for the liberation of the Finnish Diet and fought for universal and direct franchise.

The attitude of the Finnish people toward the policies of Nicholas II was evidenced in three momentous events of this period. First, in 1899, the signatures of 522,931 Finns were collected during a two-week canvas protesting the shackling of Finland's political independence. The significance of this action can only be understood in the light of the fact that these signatures had to be obtained clandestinely by messengers who ran the gauntlets of Bobrikov's agents. Next, in 1904, General Bobrikov was assassinated on the steps of the Senate building in Helsinki by a young civil servant named Eugene Schauman. The third event happened in

October 1905, known as the Great Strike, when for five days the nation's economic life was at a standstill as a protest against the policies of the Tsar. It was a magnificent demonstration of the spirit and will of the Finnish people.

The unity with which the Finns fought the iron rule of Nicholas II produced results. Conscription was halted and the Finnish troops disbanded; in lieu of the disbanded troops a tax was imposed on Finland for the defense of the empire. The many oppressive Russianization measures were abandoned. One of the most important reforms, thanks to the insistence of the labor movement, was the liberalization of the Diet — and universal and direct suffrage, extending to the common man and woman a voice in the affairs of their country.

Young men caught in these turbulent times of Finnish history turned to America to escape conscription into the Russian army and to seek freedom from the ever watchful eyes of the Tsarist agents. They felt a hopelessness in remaining in Finland to enrich a foreign ruler by their labor. Others were forced to leave Finland or face exile to Siberia because of their ardent activities in the Finnish nationalist and labor movements.

Economic conditions were an even more impelling reason for migration than the internal political condition. Finland is not a rich country and only through hard labor is a living eked out by her people. A foreign ruler, not interested in developing Finland's meager resources for the good of the nation, did not help to improve conditions.

As stories of the fabulous riches of America reached Finland, beginning with the California gold rush of 1848, younger men in particular set out to try their luck in the new country. The letters of these adventurers began arriving in Finland and a steady migration developed after the American Civil War.

Records show that 302,095 Finns settled in the United States between the years 1883 and 1924. The peak year was 1902 when 23,152 were admitted into this country. Three-fourths of all Finnish immigrants arrived within the period from 1899 to 1914.

Thus they left the old world to seek their fortune in the new world that beckoned to the poor, the oppressed and the down-trodden.

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## Chapter II

### FINNS COME TO FITCHBURG

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The first Finns who came to America settled in the Delaware River Valley in 1638, but, as far as it is known, no Finnish immigrants arrived in Fitchburg until sometime after the Civil War. A man by the name of Charles Rosnell is believed to have been the first Finn to settle in Fitchburg. This belief was expressed by John Matson in an interview published in the Finnish daily *Raivaaja*\* on the basis of information which he obtained from the Finns who were living in Fitchburg when he arrived in 1883. The exact date of Rosnell's arrival is unknown but it is believed that he came to Fitchburg sometime in the 1870's. Here the earliest Finnish organization was a church\*\*, founded in 1886. Before that year, however, an itinerant preacher had circulated among the Finns and had held services for them.

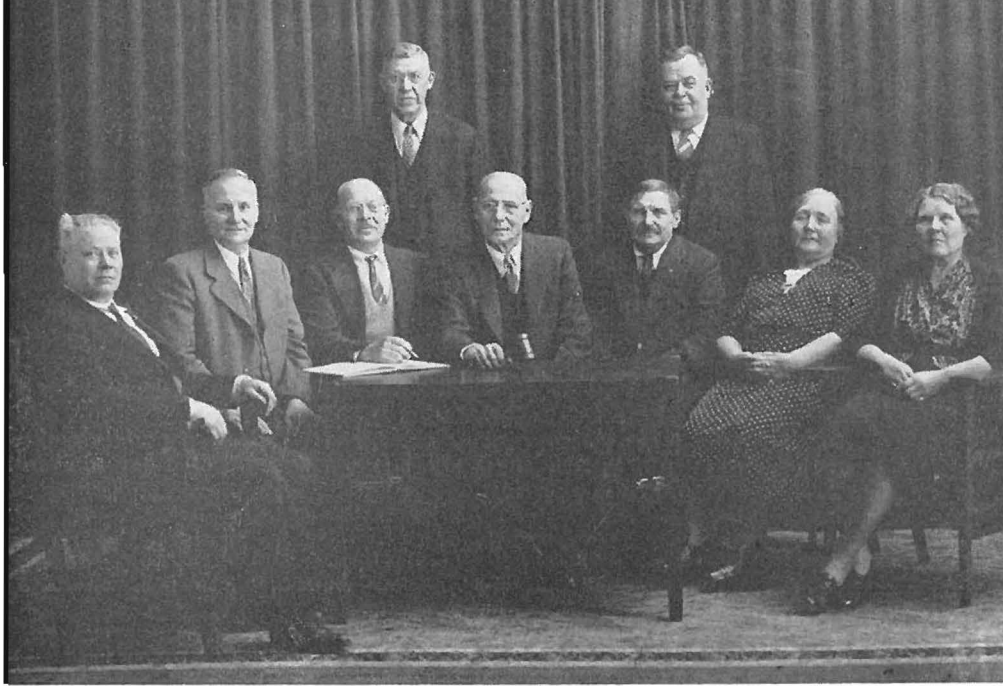
By the turn of the century several thousand Finns had settled in Fitchburg and more were arriving regularly on steamships from Northern Europe. These new immigrants were young; very few were skilled in specialized trades for most of them came from the rural sections of Finland. Even the few skilled workers were greatly handicapped by their inability to understand or speak English. Thus the main asset of these immigrants were their strong bodies and a willingness to do hard manual work. Most of them could find only the poorest paying jobs. Life was not easy in those early days for the poor immigrants. Some undoubtedly regretted ever having left their native soil.

The attitude of the native Americans of Fitchburg in that period did not help to ease the burden of the immigrants. They looked disdainfully on the "Russian Finns" as the Finns were then known. However, as time passed the adjustment was made to American ways and customs although it was difficult and the progress painfully slow.

The immigrants of necessity established their homes in the poorer sections of the city, where living conditions were most crowded. It was common for a family to live in one or two rooms themselves and to rent out remaining rooms to boarders. Crowded conditions were tolerated since many of the immigrants had come to America not with the purpose of establishing permanent homes, but seeking temporary refuge, with the ultimate goal of accumulating enough money in America to buy a farm in their native Finland.

\* *Raivaaja*: Pioneer.

\*\* Finnish Congregational Church.



A FEW FOUNDERS OF THE SOCIETY THIRTY-FIVE YEARS LATER — 1945. Seated (left to right): Albert Maki, Jacob Jarvi, Jack Koutonen, David Kurki, Emil Haimila, Loviisa Reini, Miina Junni. Standing: Tapani Herala, Wilho Muhonen.

The boarding house was a social institution, a meeting place, where they could eat old country foods in the quantity to which they were accustomed and where they saw friends with whom they could converse in their common language. The boarding house was a haven for the lonely and weary in a strange new land.

Because of the language barrier the Finns could not readily participate in the life of the community and so they soon felt the need for organizations of their own to answer their spiritual, cultural and social needs. The organizations founded by them carried on a varied program and greatly helped to make the immigrants' lives more tolerable. These organizations turned out to be beneficial not only to the Finns but to the community at large, for they greatly helped to elevate the life of the Finns and served as a stabilizing influence among them.

Though most of the immigrants had little or no formal education all were able to read, thanks to the Lutheran Church of Finland. The church maintained Confirmation schools to teach reading. It was natural, therefore, that as soon as the Finnish population began to grow in numbers a Finnish newspaper was established. The first newspaper was a weekly named *Totuus*\* founded by Frans Lehtinen in 1896. It was principally a religious paper although it did devote half of its space to general news and

\* Totuus — Truth.

news pertaining to the Finnish colony. A second weekly newspaper, the *Pohjan Tähti*\* began publication in 1902. More of its columns were devoted to news and politics than in the case of *Totuus* and it rapidly won favor among the Finns. In 1905 a third newspaper, the *Raivaaja* was established because the conservative owner of *Pohjan Tähti* discharged its editor, Taavi Tainio, for his "radical" views and thus closed the columns to the rapidly developing labor movement. *Raivaaja* was established on a more or less cooperative basis by Finnish labor societies in the east and their members. It has operated on a non profit basis throughout its forty-two years. *Raivaaja* has long since outlived both *Totuus* and *Pohjan Tähti*. The latter it bought out in 1926 and put an end to its struggling existence. Today, *Raivaaja* is one of the most successful and influential Finnish newspapers in America.

*Raivaaja* has had a strong influence on the thinking of the Finns everywhere in the United States but most particularly in the east. Because it has, both in its editorial and news columns upheld the liberal point of view, and because its pages have been open to cooperatives it unquestionably has been of immeasurable value to cooperative development among Finnish-Americans.

As has been stated, the turn of the century was a period of awakening in Finland. A strong nationalist movement was born to battle the oppressive policies of the Russian Tsar. A trade union movement had been founded at the close of the 19th century. Labor organized the Social Democratic Party to represent it politically in the affairs of the nation. It was then that the Cooperative movement began to make headway in Finland. After sporadic local movements the Pellervo Society, Finland's great national Cooperative union, was organized in 1899 by Dr. Hannes B. Gebhard, often referred as the father of the Finnish cooperative movement.

It was natural, therefore, that the Finnish immigrants, many of whom had been inspired by these newly organized movements, should form similar associations when they settled in America. Fitchburg's Labor Society Saima was organized in 1894 by a dissident group of the local Finnish Temperance Society who, though recognizing the evil of alcoholism, believed that temperance alone did not offer a complete solution to the ills of modern industrial society. They believed that modern social and economic problems were rooted in the profit-seeking system of capitalism. Further, they believed that it was not enough to recognize the root of the evil but that labor must organize both politically and economically for the immediate task of improving their lot in present-day society.

The Saima Society became an important influence in the political, social and cultural thinking of the Finnish community of Fitchburg. It molded the opinion of many of the Finns to an

\* *Pohjan Tähti* — The North Star.

acceptance of cooperation. In fact, the Cooperative has been referred to at times as one of the children of the Saima Society.

In the process of clarifying their thinking this young Finnish-American community was rife with discussion and debate on economic, social and political problems — pro and con on various social movements which had sprung up to improve existing conditions.

The New England intellectuals of the mid-nineteenth century had their Brook Farm experiment. The Finnish-American had their would-be Utopia in *Sointula*,\* on a small island off the coast of Vancouver Island, B. C. It had been established under the leadership of an idealist named Matti Kurikka. The controversy over Kurikka's Utopian island community rocked the Finnish colony of Fitchburg. This debate and similar controversies on other issues served as a school of social science which increased their knowledge and molded their social outlook.

Books such as Edward Bellamy's "Looking Backward" and Upton Sinclair's "The Jungle" in Finnish translations were circulated widely and read avidly by the Finns. It stirred their social consciousness and created a desire to help improve the lot of the common man.

Some day, it is to be hoped, someone will write a comprehensive history of the Finnish-American colony of Fitchburg and tell the story more fully than it can be told here. This brief outline serves merely to help toward an understanding of the reasons why the Finns looked to cooperation as a solution to their problems. More than that, cooperation was to be a contribution to the building of a better world in which the common man might enjoy the potential plenty of the modern machine age.

This background of the Finnish people reveals a national characteristic of joining together to overcome the shortcomings of nature, to battle the oppression of foreign rulers, to liberalize political institutions, to work for social justice and to build toward a better world. Thus we have an understanding of why the Finns have turned to cooperation and succeeded so well.

\* Sointula: harmony.

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### Chapter III

## THE ORGANIZATION OF THE INTO GROCERY COMPANY

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The United Co-operative Society was not the first of Fitchburg's cooperatives. Neither was it the first to be established by Finns. Records of the Department of Corporations of the state of Massachusetts reveal that the first cooperative to be established in Fitchburg was the Fitchburg Cooperative Association founded in 1867 and dissolved in 1894. In all probability it was part of the cooperative movement launched by the Patrons of Husbandry or the Grange after the Civil War. The second cooperative, The German Cooperative Grocery Company, was founded in 1897 by German immigrants. Although repeated efforts were made to induce them to join the organized movement this society never affiliated with the Cooperative League of U. S. A. It remained a purely German-American Society waning with the decline of their colony in Fitchburg and was finally dissolved in October 1941.

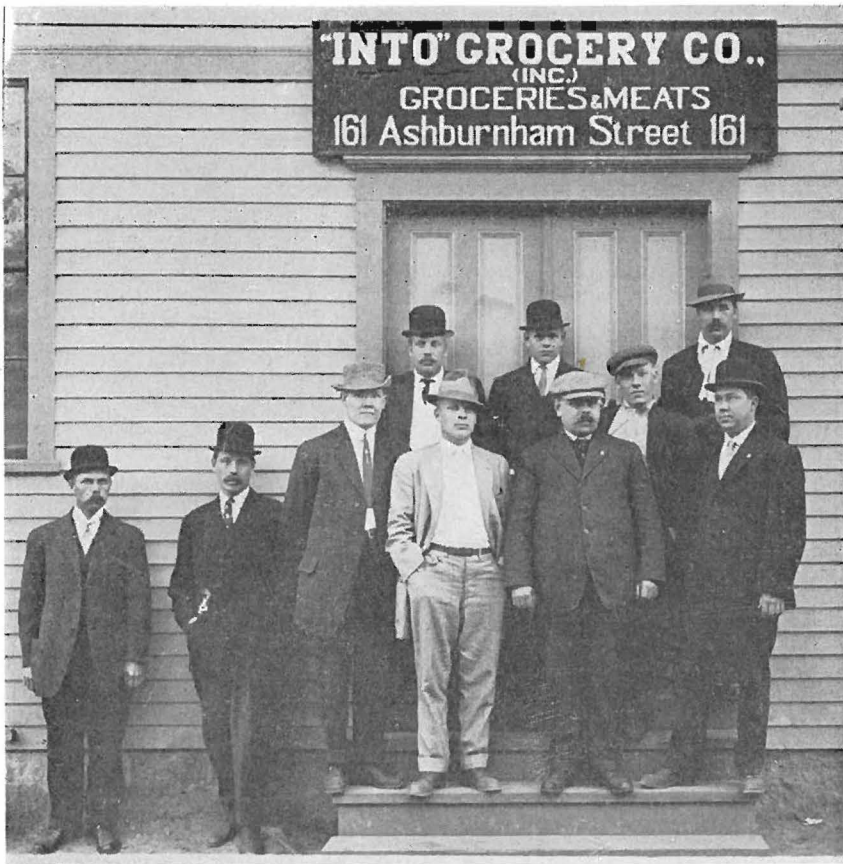
The first Finnish cooperative store *Pellervo*\* was founded in 1905. It opened on Rollstone Street under the management of John Laakso. The life of this Cooperative was short. Its doors were closed within a year. There were two reasons for this closing: (1) insufficient capital and (2) apparent lack of confidence in cooperation. The manager of the store became so despondent over its failure that he left town because he was ashamed to face the public.

A second attempt took place in 1906. A Swedish grocery store at the corner of Main and West Main Streets was bought and converted into a cooperative. Several months after the purchase it was moved to the corner of Elm Street and Harwood Place (present location of the B.F. Brown School) where it would be more centrally located in relation to the Finnish-American community.

This Cooperative, known as *Aitta*\*\* , was managed by Alfred Hautamaki. For three years it led a struggling existence and finally closed its doors. Failure was attributed to insufficient capital, lack of experience, too liberal credit policy and the public's lack of sufficient knowledge and confidence in consumer cooperation. Those who still remember this experiment say that members invested very little money; they ran up bills equivalent to their investment or more, and then turned in their shares. It is to

\* Pellervo: proper name.

\*\* Aitta: Storehouse.



THE FIRST BOARD OF DIRECTORS IN FRONT OF THE ORIGINAL STORE AT WEST FITCHBURG. First row (left to right): David Junni, David Kurki, Jacob Keto, Jacob Koutonen, Alexander Lahonen (manager) and Matti Mattila. Second row: Eseri Pokela, Antti Kurki, Evert Alander, and Sixtus Wisti.

*Aitta's* credit, however, that in its liquidation no one lost a cent — all creditors and members were paid back in full.

After these two failures it would seem that cooperation would remain dormant until the defunct organizations were forgotten. But not so, for scarcely a year had passed from the day that *Aitta* closed its doors when, in 1910, the third cooperative venture was undertaken in the Finnish-American colony of West Fitchburg.

At that time the Finns of West Fitchburg were being served by a Finnish grocer in Fitchburg. Dissatisfaction developed in his



# Membership of INTO GROCERY COMPANY 1910

[as they appear in original minute book of society]

JOHN ANDERSON	weaver	ELIINA MANNIKKO	weaver
EMIL HAIMILA	papermaker	JOHAN MATSON	papermaker
SAARA HELENIUS	weaver	TUOMAS MATSON	papermaker
MARIA JAAKKOLA	weaver	KALLE MANTYLA	weaver
JACOB JARVI	papermaker	AMANDA MONOLA	weaver
EMIL JULKU	weaver	WILLE MUHONEN	weaver
DAAVID JUNNI	weaver	NILS NELSON	farmer
MATTI KAASKELA	millwright	NALI NIEMI	papermaker
ANDREW KALLINEN	weaver	ANDREW NIEMI	weaver
FRED KALLINEN	farmer	SEFANIAS NISULA	papermaker
EVERD KAJUUTTI	weaver	KALLE NORTUNEN	weaver
WHJAM KAJUUTTI	weaver	WALTER NURMINEN	baker
AARO KETO	weaver	AUGUST OJA	weaver
JACOB KETO	weaver	OSKARI OINONEN	papermaker
HERMAN KETO	weaver	JOHAN PERKIO	farmer
EVELIINA KIVINEN	domestic	EESERI POKELA	weaver
MIKKO KONTTILA	weaver	ELIAS PUMPULA	papermaker
JOHAN KORPI	papermaker	ANTTI RAIVIO	papermaker
SOFIA KORPI	weaver	EMANUEL RAJANIEMI	papermaker
JACOB KOUTONEN	papermaker	JACOB RINTA	weaver
DAVID KURKI	weaver	HILDA SALO	weaver
ANTTI KUURULAINEN	weaver	GIDA SAARELA	weaver
MIKKO LAKKO	weaver	SIFI SAAVIKKO	papermaker
JOHAN LAHDEKANGAS	laborer	LOVIISA SANKARI	weaver
JACOB LAKSO	weaver	HENRY SAVIKKO	weaver
JOHN E. LAURILA	weaver	KATRI SULONEN	papermaker
MARTTA LASOLA	weaver	IISTKKI TIENHAARA	weaver
ALBERD MAKI	papermaker	HEIKKI TOIVONEN	weaver
HILMA MAKI	weaver	HENRY TOIVONEN	papermaker
KALLE MAKI	shoemaker	HERMAN TURO	merchant
LJSI MAKI	weaver	AINI UUSITALO	weaver
LYLI MAKI	weaver	ELIAS WESA	papermaker
SELMA MAKI	weaver	H. G. ZILLIACUS	merchant



Back in the cracker barrel days. Interior of first store at West Fitchburg. Man holding shoe is manager Alexander Lahonen.

service because of the poor quality of his merchandise and high prices charged. A group was organized to seek improvement in the service.

There seems to be a difference of opinion as to the purpose for which this committee in West Fitchburg was originally formed. Some hold that it was instructed to negotiate for better arrangements with other grocers; others, that the committee was formed for the specific purpose of organizing a cooperative.

David Kurki, one of the original founders and president of the Cooperative for many years, is authority for the opinion that this committee was not established to found a cooperative but to negotiate with other grocers. According to Mr. Kurki, before the committee had an opportunity to confer with other grocers, one of the former members of the defunct *Aitta* Cooperative urged the committee to form a Cooperative. He pointed out that they would own and control their business and not be dependent on the whims and caprices of a person they could not control. Thus the committee was sidetracked from its original purpose and began, instead, to organize a cooperative.

Whatever the original intention of the committee may have been, on February 26, 1910, a group of Finns met in West Fitch-

burg and after thorough discussion decided to establish a cooperative store the Yrittäjät\* Grocery Company. It was organized with a capital of \$5,000 divided into 1,000 shares of \$5.00 each. David Kurki served as chairman of this organization meeting and Jacob Koutonen was the secretary. A by-law committee of Aaro Keto, Kalle Nortunen, Mikko Laakko, David Kurki and Jacob Koutonen was chosen to bring in a draft for the next meeting.

The second meeting was held March 6, 1910 at which meeting it was decided to change the name Yrittäjät Grocery Company to *Into\*\* Grocery Company*. To this day many people in Fitchburg when speaking of the Cooperative refer to it as — Into.

At the second meeting the following were elected as the first board of the Into Grocery Company:

David Kurki  
Andrew Kallinen  
Kalle Nortunen  
Mikko Laakko  
Aaro Keto  
Wille Muhonen  
Kalle Mäntylä  
Thomas Matson  
David Järvi

It is significant to point out that though no capital had been raised, and the committee to obtain capital was only elected at this meeting, it was voted not to distribute any earnings to the shareholders until a \$1,000 reserve had been accumulated.

At the third meeting held March 13th it was reported that \$1,225.00 had been raised in pledges, whereupon it was decided that the store would not be opened until the sum of \$1,500.00 had been raised in cash. A week later it was decided that the capital required to open the store was to be \$2,000.00 and that money raised for the purpose should be placed on deposit in a bank until the store is opened. Anticipating that the \$2,000.00 capital would be raised soon, a committee was elected to investigate the possibilities for store location and to seek a manager.

During the spring of 1910 the founders were busy holding membership meetings every fortnight and board meeting more frequently. In addition, entertainments were arranged at which the cause of cooperation was espoused and appeals for capital made. Capital did not accumulate rapidly because many who had witnessed two failures were doubtful whether cooperation was practical. And the fact that the Labor Society Saima had just built a new hall and the *Raivaaja* was currently struggling for existence cooled the interests of some otherwise favorably disposed to the cooperative philosophy. They believed it a mistake to start a cooperative when these other two organizations needed

\* Yrittäjä: Enterprise.

\*\* Into: Ardor.

their financial support. There were also the conservative elements in the Finnish community who looked with fear and hostility on the organizing of a cooperative.

But in spite of these difficulties and obstacles the enthusiasts could not be discouraged. A five-year lease was signed with the owners of Unity Hall at 161 Ashburnham Street, West Fitchburg, for a store at a rental of \$15.00 per month, with the understanding that the Cooperative would make necessary repairs. John J. Syrjala was hired as manager. Plans were made to open the store during the latter part of May 1910. Despite the fact that on May 16th (when the money was turned over to the manager), capital on hand was only \$1,350.00 violating the decision not to open until they had \$2,000.00. Enthusiasm overpowered their better judgment, as it so often does with founders of cooperatives, with the result that for some time Into struggled along without sufficient capital.

And so, four months after the organization meeting, Into Grocery Company opened its doors to the public with a staff of three — a manager and two clerks. The community at large paid scant attention to the opening. In *The Fitchburg Sentinel* of May 26, 1910, there appeared a small news item under the West Fitchburg column stating that "with the only public hall at this end of the city converted into a grocery store" public-spirited citizens, realizing the urgent need of a public hall were planning to see that the needs of the community were met. It further stated that "for many years Unity Hall has been the only available hall here for dances, political and other public gatherings . . . but now it has been turned into a store and leased to the Ento Grocery Company for a term of five years."

The first annual meeting of the Into Grocery Company was held July 8, 1910. The financial report revealed an earning of \$62.35 for the few weeks that it had been in operation. It was an encouraging report and the enthusiastic cooperators almost forgot their early decision not to distribute earnings until \$1,000.00 had been accumulated in the reserve fund. Some wanted these earnings distributed as patronage refund, others as interest on shares, but the majority voted to put it into surplus reserve.

Whether the earnings of \$62.35 was distributed or kept in the reserve fund may seem of little consequence now, but when we realize that the average wages of those who made this decision ranged from \$5 to \$15 a week, and that many of them were subjected to periodic lay-offs and unemployment, their courageous decision can be really appreciated. Needless to say, the meager earnings were important to the struggling infant business enterprise. The practice of leaving earnings in the reserve fund in the early stages of cooperative development explains the success of the Finnish cooperatives.

It was fortunate, indeed, for the Fitchburg Co-op that the members voted to place their small earnings in the reserve fund. Though sales were running about \$1,500.00 a month for the second

half of the year' financial reports submitted to the board and to monthly membership meetings began to show losses. When the second annual meeting was held in January, 1911, the loss had reached \$473.00. In the meantime the manager resigned in December, having served seven months. Alexander Lahonen of Maynard, who had experience in the grocery business, was chosen to succeed him.

When the organization meeting of the Cooperative was held on February 26, 1910, it was decided to form a cooperative grocery store. The second meeting adopted the cooperative principle of one vote to each member regardless of the number of shares held but there was nothing in the name of Into Grocery Company to clearly identify the society as a cooperative.

To make it clear that the society was a cooperative, the membership meeting held March 5, 1911, voted to amend the first article of the Articles of Incorporation to include the words "established on cooperative principles." Other important changes in the by-laws were:

- (1) That investment of one person in the cooperative was restricted to forty shares.
- (2) That thirty-five per cent of the net earning would be set aside to the reserve fund before any earnings would be distributed to the patrons until the reserve fund had reached \$1,000.00; and
- (3) That no more than five per cent interest would be paid to members on their investment.

It is believed by some that if these important by-law changes had not been made it would have been very easy for the society to have become a mere stock company, although the obvious intent of the founders was to establish a true cooperative. Lack of a clear understanding of cooperative principles accounted for the fact that in their first by-law draft the cooperative nature of their business was not clearly defined.

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## Chapter IV

### AN IMPORTANT DECISION

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The opening of the store in May 1910 by the Into Grocery Company brought the enthusiastic cooperators down to the task of proving that cooperative principles are practical. The report to the second annual meeting of a deficit gave no reason for optimism but rather cause to wonder whether Into faced the same fate as its two predecessors — Pellervo and Aitta.

The founders were a loyal and determined lot who were willing to sacrifice in order to make their experiment succeed. Without that spirit it is doubtful if it would have survived the trials and tribulations of the early years.

Fortunately for the society their second manager, Alexander Lahonen, was an experienced business man and soon was able to bring the operations under control. Business volume steadily increased. The manager was able to report to the annual meeting of January 1912 that the business volume for the first year of operation was \$25,000 with net earning of \$1,577. This report was encouraging. However, three months after the annual meeting Manager Lahonen resigned in order to return to Finland and the Cooperative was again faced with the task of searching for a manager — a serious problem for this young cooperative. Matti Mattila was chosen to succeed Mr. Lahonen and took over in April 1912.

The year 1912 proved to be a momentous one. During that twelve-month period the future course and development of the Cooperative was decided. It was then that the die was cast which gave the Cooperative the possibility of expanding beyond West Fitchburg where only a small part of the city's Finnish population resided. The center of the Finnish colony of Fitchburg was not in the vicinity of the Cooperative store on Ashburnham Street but some four miles away from it.

In the *Raivaaja* of March 16, 1911, it was reported that Emil Parras, a Finnish newspaperman, had spoken at a meeting of the Labor Society Saima on March 12th "on the importance of Fitchburg workers supporting cooperative enterprises." Pointing to the recently established cooperative in West Fitchburg he stressed that "it should be given the wholehearted support of the workers of Fitchburg." A lively discussion followed his speech. It was decided to elect a committee which included O. Hakovirta, Robert

Huoppi and V. Salmi, to study the matter further and report back to a meeting to be held within a few weeks.

The committee conferred with the Into Cooperative and reported its findings. Many meetings were held during the remainder of the year but although there was interest progress was slow. Not until a year later, in the spring of 1912, did the spark struck by the speech of Parras begin to materialize into definite results.

Now it was finally settled that a branch store should be opened in Fitchburg near the center of the Finnish population in view of the unsatisfactory delivery service from the West Fitchburg store. A drive for capital was begun for a branch store. From the *Raivaaja* we learn that the following persons participated in the drive:

J. Jamback  
H. Selin  
A. Niemi  
A. Jokinen  
A. Harkonen  
E. Matson  
E. Laitinen  
V. Oinonen  
F. J. Syrjala  
V. Salmi

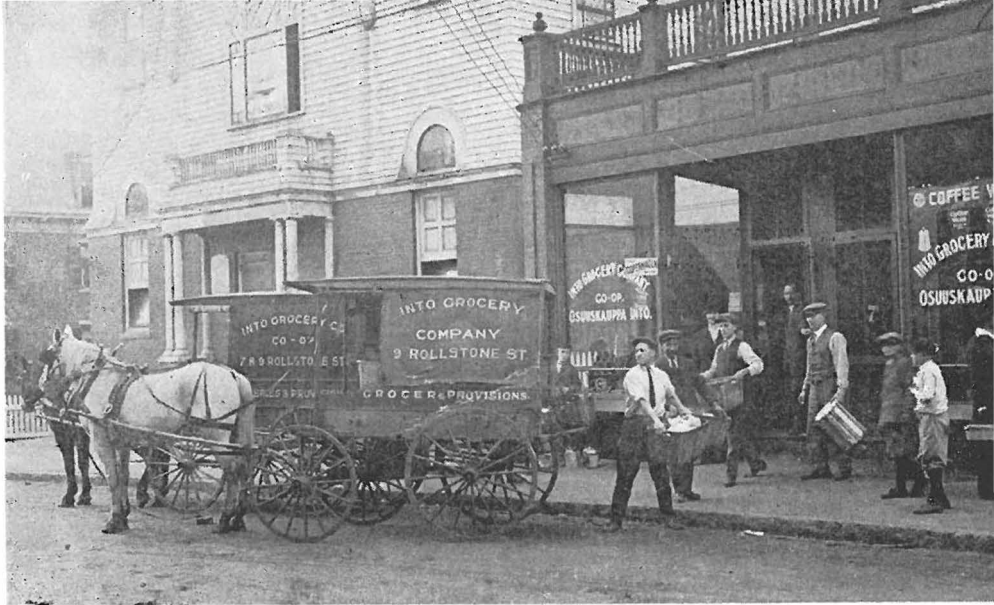
The money raised by the committee was deposited in a local bank in the names of Frans J. Syrjala, editor-in-chief, and John Suominen, business manager, of the *Raivaaja*.

It was indeed fortunate that this committee from Saima did not set out to establish their own separate Cooperative and divide the cooperators into two groups.

At a meeting of the Into Cooperative held May 27, 1912, it was voted to cooperate with the Fitchburg Saima committee to open a branch store in Fitchburg proper and that \$1,500.00 additional capital would be needed before the branch store could be opened. Following this decision progress was gradually speeded so that in a little more than two months the branch store was opened.

The uniting of the two groups was an important forward step in the history of the Into Grocery Company and to the future cooperative development in Fitchburg. Two separate societies might have materially hindered cooperative development. United, they worked together, pooling combined resources and energies.

The branch store at 9 Rollstone Street was opened for business on August 9, 1912. Within a few months it became obvious that this store was inadequate and immediate steps were taken to enlarge it. The sales of the new Fitchburg branch store soon began to surpass the West Fitchburg parent store, not because of superior management or better service but because the Rollstone Street Store was located in the heart of the Finnish community.



Back in the horse and buggy days loading orders in front of the Rollstone Street store which at the time was the main headquarters of the society.

The rapid growth of the Rollstone Street store resulted in its becoming the main store of the Cooperative in the fall of 1912, and was so officially recognized by the society.

In October 1912 the financial report showed that capital had increased to \$3,125.00 and sales were running about \$5,000.00 per month, as compared to \$2,000 a month during the first months of 1912 before the Rollstone Street store was opened.

At a membership meeting held April 1912, the directors reported that the reserve fund was \$1,437.09. Instead of proposing ways and means of spending this money, these hard-working immigrants showed their determination to continue to build their Cooperative on a sound financial basis by voting to raise their reserve fund to \$5,000.00 provided, of course, "it was legally possible." The mistaken belief that the law restricted a Cooperative of their size to a reserve fund of \$1,500.00 caused disappointment.

For 1912 the second full year of store operation, net earnings were \$1,043.00 despite an increase in sales. Throughout 1913 the Co-op lost money. This caused dissatisfaction among the members and Manager Mattila resigned in December 1913. It is to Mr. Mattila's credit, however, that he managed the Co-op through its first expansion period.

Ville Salmi, with previous experience in store work, was chosen to succeed Mr. Mattila. He assumed the managership fully confident that operations could be put on a paying basis. One of his first

*mabjai velat*





EMPLOYEES IN 1914 — Seated (left to right): David Suonio, Jenni Nilson, Ville Salmi (manager), Lempi Haapa and Hilma Junni. Standing: Esa Koski, John Pehkonen, Erkki Pirila, Emil Kaisla and Jalmari Selin.

moves was to put in some \$800.00 of his own money into the store to pay off creditors and, not having enough to pay off all the creditors, he borrowed \$500.00 from a friend on a personal note, so restoring the credit of the Cooperative among the wholesalers and supply houses.

The great weakness of the Cooperative during this period was inadequate capital for its growing needs. If it had not progressed at such a steady rate it could have plodded along slowly without too much difficulty. But the Co-op was growing fast and was constantly in need of more operating capital in those pioneering years.

A prepayment plan was initiated to supply the society with money. Stamps redeemable in merchandise at the store were sold to members and patrons enabling the Co-op to make its payments to the wholesalers and suppliers.

Mr. Salmi served as manager until November 1915, when Kustaa E. Grandahl took over the managership. Under Mr. Grandahl's leadership the Co-op was to make notable progress.

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## Chapter V

### MOMENTOUS YEARS

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The first five years of the life of the Fitchburg Society were the most difficult. Above all, it had to prove itself to members and patrons who had witnessed two failures. And in spite of the fact that these five years had seen four changes in management a sound foundation for future building and expansion had been laid. It had been firmly established on sound Rochdale Cooperative principles. Instead of divided ranks, unity had been welded among people interested in cooperation.

Mr. K. E. Grandahl took over the management in November 1915, and remained as manager for two decades during which the society, building on the foundation laid by its pioneers in the first five years, made notable expansion moves and forward steps.

But before we turn to trace this phase of the development it is well to note that in June of 1916 Into reorganized under the Cooperative laws of Massachusetts, Chapter 157, as the Into Co-operative Store, Inc. Its new incorporated name clearly identified it as a cooperative.

From the very early stages the founders of Into, while they constantly struggled with the numerous problems of operating a food store, discussed expansion into other services. Sometime during the first year it was decided to take on several small variety items of merchandise in order to provide more volume for the store, and because in variety items there is a greater gross margin than in foods. A small shipment of assorted articles of wares such as combs, needles and pins was purchased but no great sales were developed in this field.

Another department in the establishment of which there was considerable interest even back in 1912 was the bakery. Minutes of the board and membership meetings reveal interest in a bakery though it took several years for their plans to crystallize into definite action.

While Into was busily engaged with food store operations, cooperative principles were being applied elsewhere in Fitchburg to varied services. A cooperative boarding house *Ossusruokala*\* was organized. Also a milk distribution cooperative know as the *Maitorengas*\*\* It may be asked: Why could not Into develop

\* *Ossusruokala*: Cooperative boarding house.

\*\**Maitorengas*: Milk Circle.

these services? Why was it necessary to establish a separate cooperative in each case? The answer may be that this was due to inexperience in the above fields and, besides, Into had its hands full with the operation of its food stores.

Consumer cooperation had won a well-deserved place in the Finnish community. Into's sales continued to climb. In order to give better service, two branch stores were opened in 1917, one on Mechanic Street (later moved to Elm Street) and the other on Rollstone Street about a mile from the main store.

1916 { The main store at 9 Rollstone Street was outgrowing its capacity and the board early in 1916 took steps to find larger quarters for its expanding business. Manager Grandahl and a board member, Eero Bovellan, were chosen as a committee to investigate the possible purchase of a building. After conferring with the other cooperatives it was decided to organize a separate corporation which would own and operate the new building, so the Finnish Socialistic Building Company was organized in 1916. In September 1916 the title was acquired to a building on Main Street facing the Upper Common.

Following further discussions it was decided that the building should be completely remodeled. Work on the renovation began in 1917 but was not completed until March 1918 because of delays due to World War I.

{ The opening of the new building took place on March 5, 1918, although the building was not yet complete. Patrons and members who had come to inspect the new facilities crowded every available space. The Saima Band and Chorus provided music for the occasion. Wilho Boman, one of the editors of *Ratvaaja*, an ardent exponent of cooperation, delivered the dedicatory address.

{ The occupants of the new Co-operative Building were Into's main store and office, men's clothing store and its own bakery, the cooperative boarding house (Ossusruokala), the milk distributing cooperative (Maitorengas), and three tenants.

A comparison of sales before and after this move to larger quarters reveals a tremendous upsurge in the business and growth of the Cooperative. In 1917 sales were \$144,713. In 1918 they climbed to \$246,896.

Now Into did business on Main Street! Its new store was an imposing structure on Fitchburg's principal thoroughfare where all could see it and follow its progress and development. It was no longer an impractical Utopian dream in the minds of Finnish immigrants.

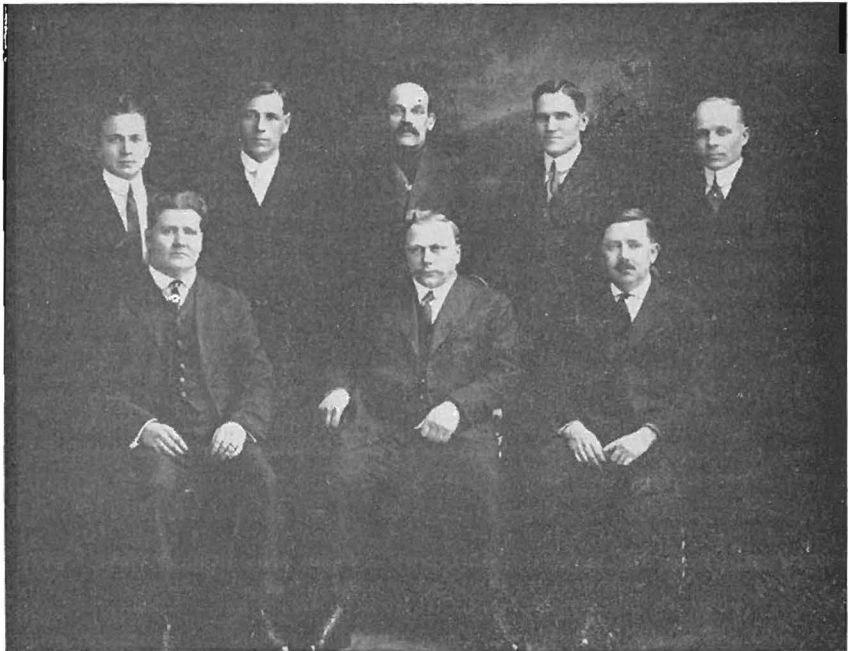


Part of the employees lined up in front of the Cooperative Building facing the Upper Common

While cooperation was making headway in Fitchburg, Co-ops were springing up among the Finns in other cities and towns in Massachusetts and other New England states. Soon a federation for educational work was founded, and under its auspices a lecturer was maintained from time to time to espouse the cause of cooperation.

As the cooperative societies grew in number, an idea developed of creating one large super-organization under which all cooperatives in the area would operate. The exponents of the super-cooperative contended that efficiency and better business methods could be established, resulting in greater earnings.

After numerous conferences and meetings the United Co-operative Society was organized under the Massachusetts laws on October 15, 1919, with an authorized capital of \$75,000. The members of the United Cooperative Society, better known as the

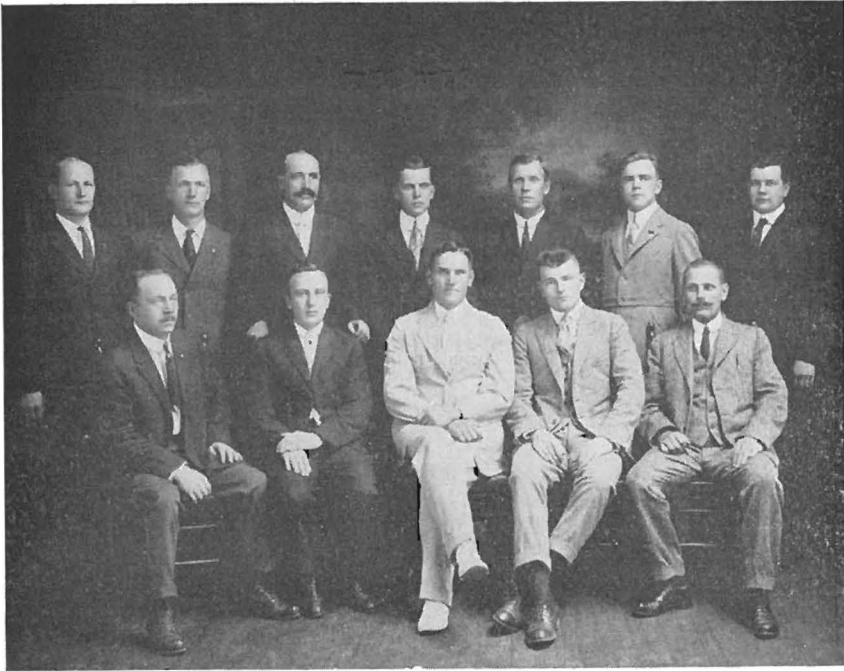


BOARD OF BUILDING CORPORATION — 1918. Seated (left to right): Emil Holland, Wilho Boman and Victor Annala. Standing: Eero Bovellan, David Kurki, Oscar Davidson, Kustaa Grandahl and Jack Koutonen.

“million-dollar cooperative,” included co-ops in the following communities:

Fitchburg  
Maynard  
Gardner  
Worcester  
Quincy  
Peabody  
Norwood  
New Ipswich (N. H.)  
Milford (N. H.)

An office was opened in Boston with Waldemar Niemela as the general manager and William Marttila as educational director. In 1920 the local cooperatives began operating as a part of this super “million dollar” cooperative and continued to operate on this basis for a year and a half until the summer of 1921, when the Cooperatives that formed it voluntarily decided to dissolve it and return to independent local operation.



EMPLOYEES BACK IN 1917 — Seated (left to right): Paul Suorsa, Eino Salin, Kustaa Grandahl (manager), Walfrid Laine and Nestor Minkkinen. Standing: John Pehkonen, Jalmari Selin, Erkki Pirtta, Emilia Kaisla, Kalle Lahtinen, Lauri Kajander and Urho Heisson.

A number of reasons contributed to the dissolution of the United Co-operative Society. First, it was inadequately financed and even though societies had joined in this united project a doubt apparently still existed in the minds of some as to whether or not it had been a wise move. Second, there were a number of poorly managed local co-ops which lost money and thus created friction. The successful Co-ops felt it was unfair to their members that they should make up the deficit of the weak cooperatives out of their earnings. Others felt there was no incentive for the weak societies to improve their operation because the successful ones would make up the deficits. Thirdly, and possibly the most important factor of all in the dissolution of this move into larger-scale operation was that at this time the Finnish community was in the midst of a bitter internal controversy which stemmed directly from the Russian revolution of 1918.

The Finns had jubilantly received the news of the overthrow of the Tsar of Russia. Their sympathies were with the revolution-

ists. They recalled how they had lived under the iron heel of the Tsar in the old country; in fact, it was the Tsarist tyranny that had prompted many of them to migrate to America. But some of them unwisely allowed their enthusiasm to run away with them and there was a strong swing to Communism.

*Raivaaja*, the Finnish Daily, took a firm stand against Communism and appealed for moderation. To this steadfast editorial position of restraint and reason in those turbulent times can be attributed the fact that the trend toward Communism among the Finns in the United States was not as great in the east as the swing in the middle and far west. The labor element was divided into hostile camps and bitter controversy raged as to who should gain control over the properties. The Communist effort to seize control of *Raivaaja* and Saima failed. The cooperatives did not escape the effect of this controversy — their members and patrons were divided on the issue. Most of the co-ops in the east escaped communist domination but this heated controversy unquestionably was a contributing factor in the discontinuance of the "million-dollar cooperative."

For a year and a half the Fitchburg Cooperative had been part of the United Co-operative Society. On August 4, 1941 Into was restored intact to its local members. It was reorganized as the United Co-operative Society of Fitchburg. However, many of the older members still affectionately refer to it as Into.

In 1921 the United Cooperative faced a competitor of short duration. The small Communist element which had failed to capture control of the Cooperative opened their own store on Academy Street, where it struggled along for about a year and then closed its doors. The sales of the Fitchburg Co-op suffered a slight setback from a combination of circumstance due to this difficulty with the communists and the world-wide post-war depression of 1921. Happily the society had become so well established in its ten years of existence that it was able to weather these adversities.

During the period of the post-war inflation following World War I organized labor became keenly interested in co-ops. Members were urged to join co-ops and organize them in communities where none existed. As a result, labor unions of Fitchburg became interested in cooperation. They organized their own co-op and opened a store on Day street sometime during 1919-1920. However, they did not heed the advice of the officers of the United Co-operative Society who tried to guide them along sound cooperative practices and methods. The result was failure. Unfortunately, more definite information about the labor union co-op could not be obtained though some of the persons involved in it were questioned.

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## Chapter VI

### PROGRESS AND GROWTH SINCE 1921

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Emerging from the "million dollar" experiment and having coped successfully with the communists the society began a long period of steady growth and expansion which has continued uninterrupted to the present day.

Beginning operations under the new name of United Co-operative Society of Fitchburg in August 1921, the annual sales of the four food stores, bakery, men's clothing store and dairy were about \$225,000. Sales continued to increase in volume and in 1929, when the next important step was taken, reached \$371,324. In 1929 the Cooperative again expanded by opening its own coal yard to supply coal and wood and later fuel oil to its patrons.

The severe depression years from 1930-1933 caused some decline in business volume but at no time did the society operate in the red. Moreover, it is significant that during this period of widespread unemployment the Co-op not only held what it had built but expanded into coal, fuel oil, gasoline and acquired two branch stores. Due to the nation-wide depression and local causes the Gardner (Massachusetts) and Milford (New Hampshire) Co-ops had gotten into difficulties and the Fitchburg Co-op took them over as branch stores.

The opening of a gasoline and automobile service station and repair shop for its fleet of trucks adjacent to its branch store on Elm Street, Fitchburg, came in 1934.

In May 1936 came an important change in management. The management of K. E. Grandahl, who had held the position since 1915, came to an end. During the years of depression some opposition against the manager had developed among members who felt that a change was desirable. Mr. Grandahl was a sincere cooperator, beyond reproach as to his integrity. He had given long and faithful service to the Cooperative but some members believed that a new outlook and fresh point of view was needed. The opposition came to the fore in the annual meeting of 1936 and as a result he tendered his resignation which was accepted.

Arvo Mandelin, chief of the auditing department of the Central Co-operative Wholesale of Superior, Wisconsin, was chosen to succeed Mr. Grandahl to take over the business with its stores and diverse other services having an annual volume of \$380,000. Mr. Mandelin assumed his duties in May 1936 and continued in the position until January 1, 1947, when he resigned and was succeeded





KUSTAA E. GRANDAHL  
Manager 1915-36



ARVO MANDELIN  
Manager 1936-46

by Waino Aalto who has served the Co-op in many capacities continuously since 1928, except the three years that he served in the armed forces.

During the nearly eleven years that Mr. Mandelin managed the Cooperative steady progress was made. Business volume has more than doubled. The net savings have been increased. Many improvements in business practice and control have been instituted to answer the needs of a growing business with many branches and departments. The bookkeeping and accounting methods were revised and improved. The practice of preparing financial statements and reports in English was inaugurated. Most of the old and worn-out machinery was replaced with new units. In 1939 a modern gasoline service station was opened in Gardner.

In the same year the Society purchased a large tract of land (in the rear of the Main Street store) extending to Elm and Center Streets, and an old factory building and a dwelling on the property. The dwelling on the land was remodelled as a residence for the manager. The dairy plant and the repair shop were moved into buildings on the land. By purchasing new equipment for the milk plant and rearranging the methods of handling milk the quality was improved and about one half of the former labor cost was saved, thus keeping the plant operations self-sustaining even during the difficult war period. A new boiler was installed in the boiler room of the old factory on the land to generate steam for the dairy plant and to heat the Main Street building and all the buildings on the newly acquired land. Thus big savings were affected in operations costs since the automatic firing equipment requires little attention and uses cheap number six oil. In the building are also garaged more than half of the co-ops twenty trucks.

Another important step to effect even better service to the customers at reduced cost was the remodelling of the main store to self-service in 1942. Later, similar changes to convert to self-service or to semi-service have been undertaken in branch stores.

The war years brought great difficulties and obstacles. Many of the store personnel were lost to the armed services as well as to the war industries. Food rationing, shortages of many lines of merchandise handled, innumerable governmental war regulations and restrictions not only added a great deal of additional work and concern to the management but all planning for further expansion had to be laid aside and forgotten. One of the greatest curtailments caused by the war was the discontinuance of extensive grocery and bakery delivery routes serving members living in the countryside around Fitchburg. The elimination of this service alone meant a loss in annual sales of about \$100,000.

But despite all the serious problems of the war, business volume was maintained and the result of the operations even with increased costs were gratifying.

At this point, it should be noted that the cooperative boarding house and the dairy Cooperative which years before participated with the society in establishing the separate corporation to make possible the Cooperative Building have ceased to exist.

The dairy Cooperative was merged as a department of the United Co-operative Society of Fitchburg in 1919. The Cooperative boarding house which was located on the second floor of the Cooperative Building ceased to operate in the early thirties. The boarding house had served its purpose. The single men and women whom it had served in the early days had married and established their own homes and no longer needed a boarding house. The United Co-operative Society inherited the restaurant equipment and for a short period operated a restaurant but as there was no suitable space in the building on the street floor for a modern cafeteria it was decided to discontinue it.

As a result of the mergers of the dairy Cooperative and the boarding house the United Co-operative Society today owns 95 per cent of the shares of the building corporation, while the remaining shares are in the hands of a few individuals. In time all the shares will be owned by the society. The Society has paid the debt of the building company and in 1945 took over its properties.

With the purchase in the Fall of 1944 of the property in which the original store was opened on Ashburnham Street in West Fitchburg (1910) the Cooperative owns all the properties in which its stores and services are located, except those of the Gardner and Milford stores. The total value of these properties very conservatively estimated is over \$100,000.



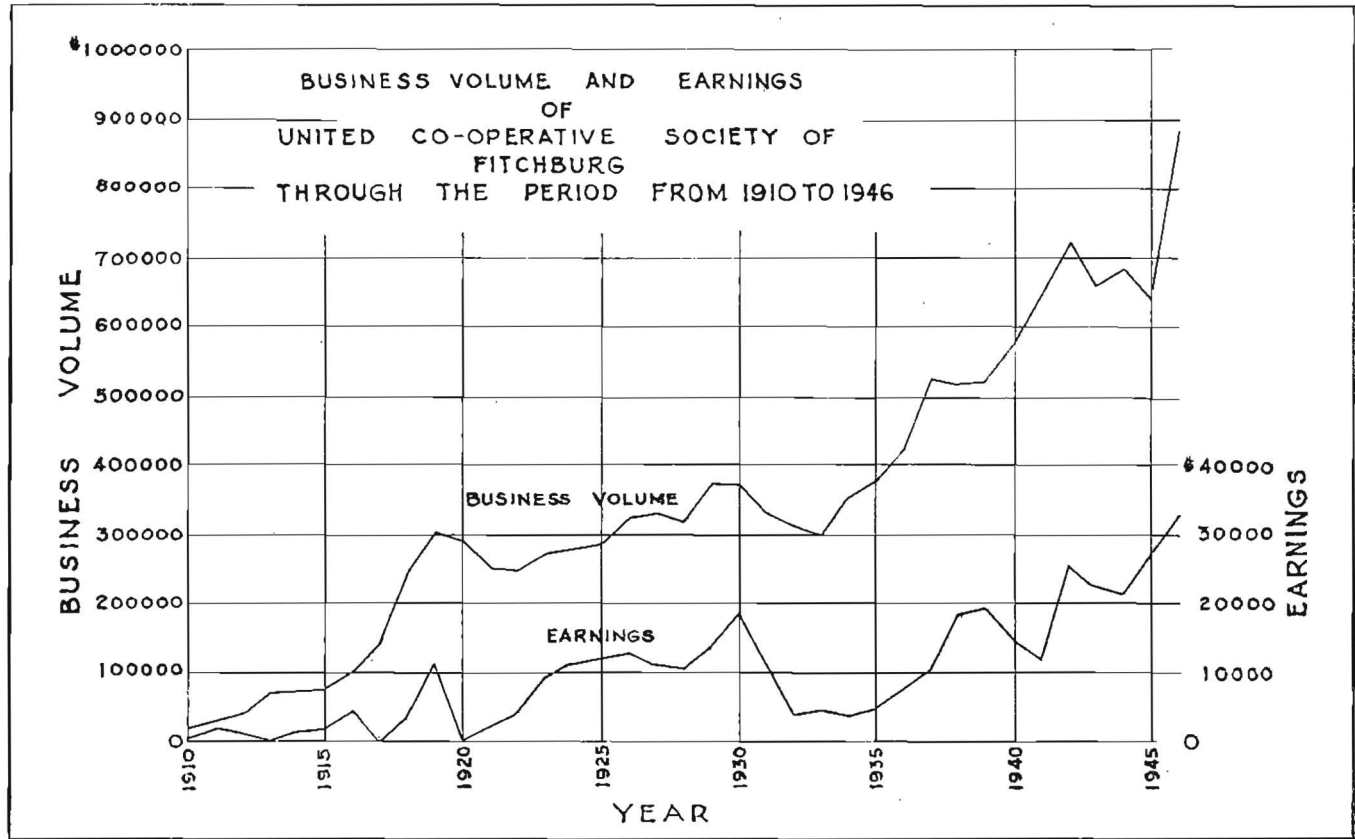
**1918**

Main store in the Cooperative Building. This was considered the finest and best in food stores back in those days.

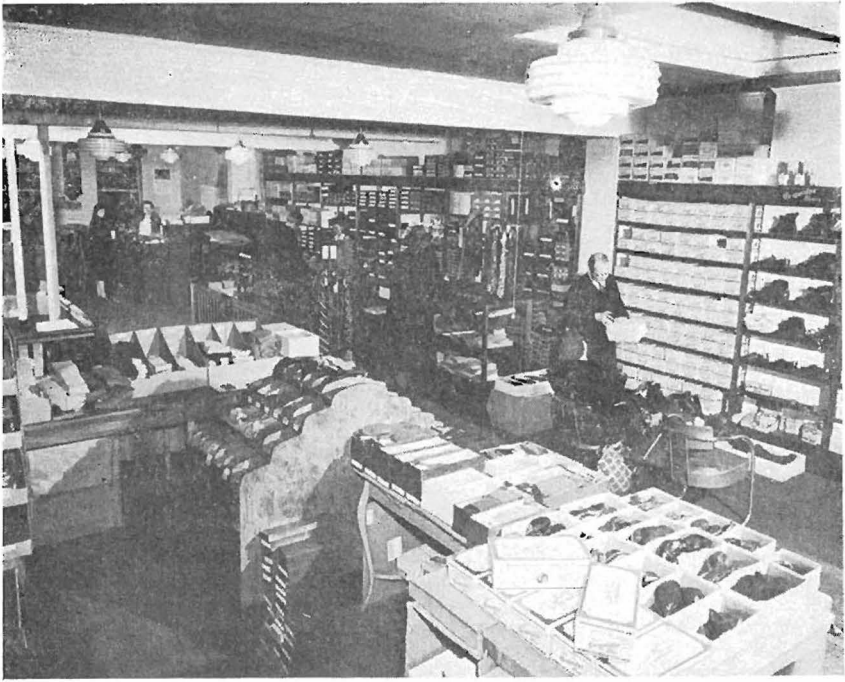
**1942**

The same store as above on opening day, September, 1942 after it had been remodelled for self service. Cashier was too fast for the camera.





**THIRTY-SEVEN YEARS OF OPERATIONS AT A GLANCE**



Clothing and shoe department on second floor of main store. The Fitchburg Co-op is one of the few cooperatives that has ventured into handling clothes and shoes. Office is located on the same floor. A part of it can be seen in the rear.

The total volume of the business during thirty-seven years is \$12,882,321. The net savings from these years of operation totals \$364,027 which has been subject to payment of patronage refunds to patrons on the basis of their purchases and whatever of this sum has not been distributed to patrons has been subjected to Federal income tax and state taxes. The remainder has been placed in the reserve fund.

Five per cent interest has been paid to members on their investment consistently for many years.

For a complete picture of the excellent financial standing of the Cooperative today we refer the reader to the Balance Sheet of the United Co-operative Society as of December 31, 1946, which will be found in the Appendix. It speaks for itself.

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## Chapter VII

### MORE THAN A BUSINESS

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A cooperative is more than a store or a business. It is part of a social movement world wide in scope building toward a better world in which our economic life will be organized on a use and service basis rather than on the profit motive of capitalism. The cooperative aim is that all shall be able to enjoy the plenty which our modern machine age can produce.

The United Co-operative Society of Fitchburg is part of this movement and it would be an incomplete picture to confine this story to its commercial progress.

Constant education is one of the accepted policies which forms the cornerstone of cooperation. Throughout the thirty-seven years of Into's existence the society has maintained an active educational program and at times has achieved notable success.

The educational work in the early days was of course done in the Finnish language but for many years English has been used to spread the message of cooperation to the people of Fitchburg.

Countless meetings, lectures, conferences, courses and study clubs have been sponsored in which all phases of cooperation have been discussed and considered. To those who have attended the meetings and participated in the development of the Cooperative it has been a rich experience and veritable course in adult education.

Outstanding cooperative leaders have spoken under the auspices of the Co-op. Among those who have spoken are Dr. James P. Warbasse, president-emeritus of the Cooperative League of the U. S. A.; Bertram B. Fowler, journalist and author; Waino Tanner, leader of the Finnish cooperative movement and president of the International Cooperative Alliance until his resignation in September 1945; Dr. Michael A. Shadid, pioneer in the field of Cooperative medicine and hospitalization; Ellis Cowling, author of "Cooperatives In America"; and V. S. Alanne, author of "Fundamentals of Consumer Cooperation" and director of the Cooperative Correspondence School. These are but a few of the many who have spoken at meetings or affairs arranged by the Cooperative.

Field workers have been brought into the city to work among the non-Finnish speaking people. As early as 1929 the late Cedric Long, secretary of the Eastern States Cooperative League, spent

six weeks in the city doing organizational and educational work. Later, Otto Ross, John Robough, Otto Rossman, Osear Cooley, Howard Richman, Helen Topping and Ethel Fair have done field work to acquaint the community to the possibilities of cooperation.

The radio, too, has been used to spread the story and the message of cooperation. In 1942 arrangements were made with the local radio station WEIM for a regular weekly co-op program. The program was broadcast for six months but at the expiration of the contract it was not renewed principally because of the lack of a script writer with a cooperative background to give the program a genuine cooperative spirit. The Co-op still does use the radio for advertising special sales of merchandise as well as publicizing important meetings and educational programs.

Books on all phases of the cooperative movement have been presented to the Fitchburg Public Library as well as to the libraries of Lunenburg, Ashburnham and Westminster.

The education committee has joined with representatives of the Workers' Credit Union and the United Co-operative Farmers in sponsoring joint educational projects. The annual Co-op Summer Festival of Fitchburg Cooperatives held early in June is one of the most ambitious and successful affairs arranged jointly. Outstanding cooperative leaders are invited to address this annual Festival. The program also includes musical numbers, sports and dancing. Several thousand people attend these annual Festivals. An annual Christmas party for children is jointly sponsored by the Co-ops of the city also.

Another project of the joint educational committee is the Co-op Youth Camp which was held in the summers of 1940 and 1941. The camp provided an excellent program of cooperative education and recreation at a nominal cost. The camp in 1940 was under the leadership of Ethel Fair with an enrollment of 42. The 1941 camp was under the leadership of Mrs. Lila Mandelin and Voitto Lassila. The enrollment was 75. Unfortunately, the camp was a casualty of the war. It is a project that should be resumed and it is the definite intention to revive it in the future.

In the middle thirties a Women's Guild carried on an active and interesting program for the women of the society but it is to be regretted that the organization has not been maintained for Women's Guilds have served a useful purpose in Cooperatives of many countries.

One of the most active and interesting periods in educational activities was between 1931 - 1934. The depression following the stock market crash of 1929 created a grave situation throughout the country. As the depression deepened, week by week the ranks of the unemployed grew so that in the depths of the depression in 1933 the unemployed in the United States reached 15,000,000.



EDUCATION COMMITTEE — 1945 — Action of this committee resulted in publication of this booklet. — Seated (left to right): John Johnson, Rauha Varis, Lila Mandelin, Lily Laakso, Ellen Hill, Sixtus Wisti. Standing: Kalle Niemi, Jonas Koskela, Arvo Mandelin Santeri Lappi.

In critical times such as this people turn toward organizations working to improve the welfare of the people as a whole. It is in times such as this that cooperatives flourish and grow.

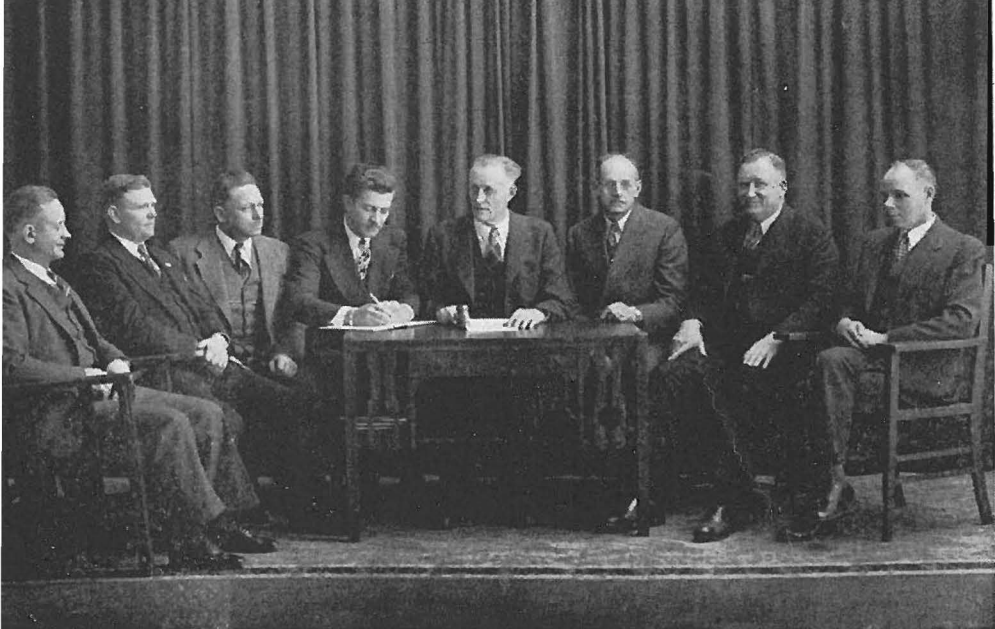
In 1931 a Co-op Youth Club was organized in Fitchburg by young men and women caught in the critical conditions of the depression. The program of the club to a large extent was social and recreational though some members were earnestly concerned in the economic program of cooperation as a solution to the problems facing America. A forum was maintained for the discussion of public issues.

The cooperative youth movement spread to other cities and a Co-op Youth League of Massachusetts was organized which held its first annual convention in Fitchburg in October 1932. Representatives from Maynard, Fitchburg, Quincy, Hubbardston and Gardner attended the convention. The League arranged a number of joint outings, play contests and sport events.

Newspaper accounts of the activities of the League reveal that among its leaders were Emil Waaramaa, T. W. Reivo, Hugo Erickson, Helvi Kiuru, Charles Hekkala, Charles Manty, Herbert Ruotsala, Aarne Oksanen and Olavi Wagg. Some of these persons in later years have taken their place in the cooperative movement and today hold responsible positions.

During the winter of 1932-1933 the Co-op Youth Club of Fitchburg took on an educational program that almost led to the





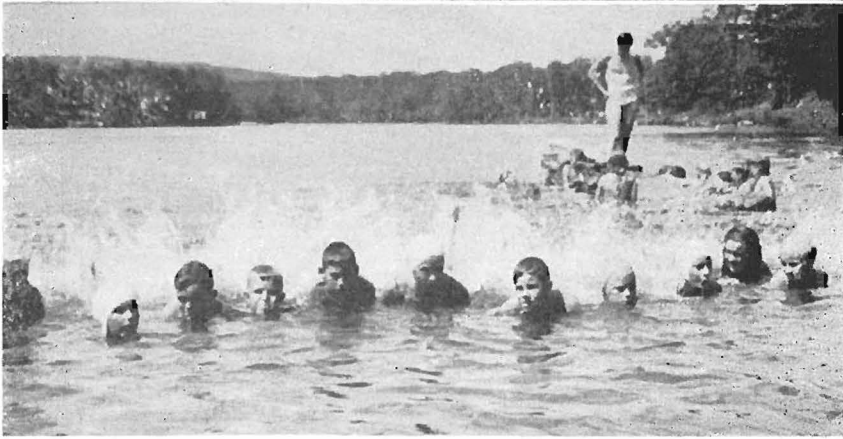
BOARD OF DIRECTORS IN 1945 thirty-five years after founding of Society. Seated (left to right): Jonas Koskela, John Aijala, Andrew Linna, Tauno Valimaki, Henry Puranen, Siimes Salminen, Oscar Ukkola and Arvo Mandelin (manager).

establishment of a Junior College. After the presidential election of 1932, a course in "The American Labor Movement" was begun. The course was under the leadership of Kenneth Pohlman who at that time was employed in the advertising department of the *Fitchburg Sentinel* and now holds an executive position with the Federal government. In the winter of 1933 the education committee of the club announced a plan to launch a "school of expression" to teach public speaking, dramatics, elocution, reading, reciting and better English.

This trend in the educational program revealed that among the unemployed young people there was interest in education. Recognizing the desire for education and also the availability of unemployed teachers the establishment of a Junior College was discussed and much interest was aroused.

A conference was held in June 1933 on the formation of a Junior College in which leaders in education and civic life of the city participated. A committee was formed to study the matter. Kenneth Pohlman and John Suominen were chosen to the committee to represent the Cooperatives.

In September of 1933 Henry Howard Eddy of Harvard College on behalf of the committee reported that there "was little possibility to obtain the 100 students which would have made it financially

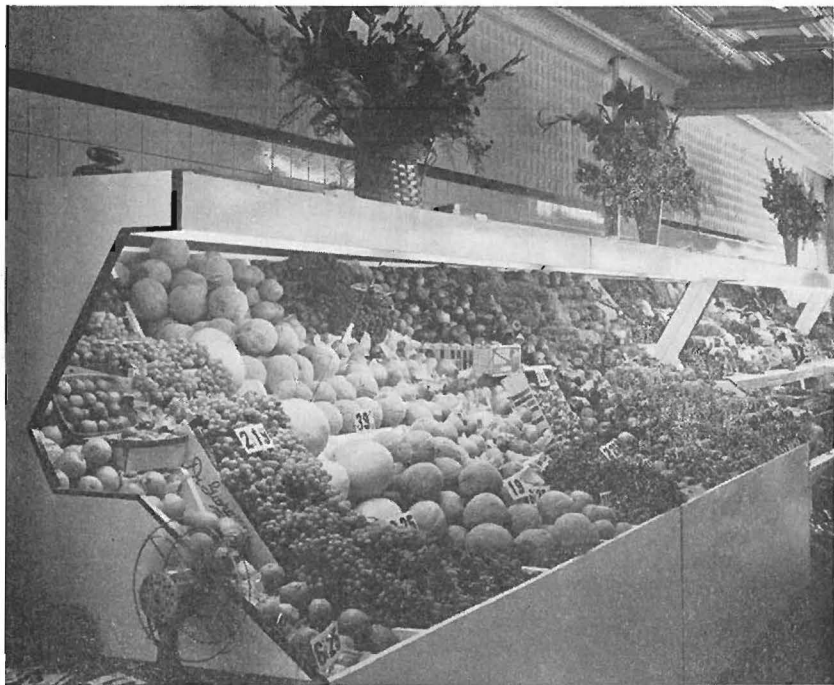


SNAPSHOTS FROM CO-OP YOUTH CAMP

possible." A few weeks after this announcement the Cooperative Institute announced 8 courses of 10 lectures to be given by Eino Friberg and Kenneth Pohlman. The cost of the courses was \$2.00. The most popular courses were Friberg's "Modern Psychology" and Pohlman's "The American Labor Movement."

By the fall of 1934 the Cooperative Institute became the Montachusett Institute of Liberal Arts and moved from the Co-operative Building to the Grove Street Hall. It opened its fall term October 15th offering a wide variety of courses. The tuition was \$60. Eino Friberg served as dean.

But as the machinery of the Roosevelt administration got underway in tackling the unemployment problem this noble



ATTRACTIVE FRESH FRUIT AND PRODUCE STAND OF THE MAIN STORE

program of a Junior College was left by the wayside. Both teachers and students gradually found employment in private industry or were taken on government projects of various types. All who participated in these educational activities recall it as a glorious chapter in their lives. Thus it was that the Co-op almost gave Fitchburg a Junior College.

The employees of the society have for years maintained an organization that has met monthly for social and educational purposes. For some time a monthly mimeograph publication *Action* has been published by the employees. A self insurance plan is maintained by the employees to provide sickness, accident and death benefits.

This brief description of the non-business activities carried on by the Society through the education committee, which ranks second to the board, is evidence that an active educational program has been maintained through the years and that at times notable results have been achieved.

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## Chapter VIII

### PART OF A MOVEMENT

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The United Co-operative Society has had an influence in the city beyond its own organization. It has spread cooperative thinking and has been instrumental in stimulating cooperative development in other fields of service so that Fitchburg today is well known among many people both in this country and abroad as the home of successful Cooperative enterprises.

In 1914 the Workers' Credit Union was founded by some of the people whose names were associated with the early stages of the Co-op and are active in it today. Here we have application of cooperation to the field of banking. The Workers' Credit Union has developed into a large and successful credit union with assets of \$3,800,000. In 1929 many members of the society who had bought farms in the area around Fitchburg formed the United Cooperative Farmers, Inc. to solve their marketing and purchasing problems cooperatively. This farmer Cooperative today is a federation of 12 locals with a membership of 1,300 which in 1946 did a business of \$3,833,453. Another Cooperative of the city is the Tri-City Farmers Cooperative Dairy which pasteurizes milk of its farmer members who distribute it themselves and the Co-op also markets their surplus milk.

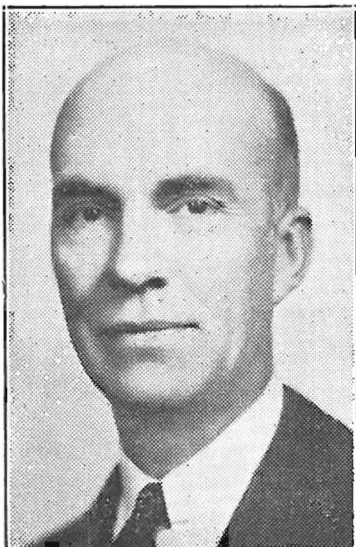
From its earliest days the United Co-operative Society has kept in touch with co-ops located in other cities. The first contacts were naturally with the Finnish Cooperatives, but as the American movement developed and began coordinating the widely scattered Co-ops, the Fitchburg Society did not remain aloof and apart as many foreign language Cooperatives did. In 1922 it joined the Cooperative League of the U. S. A. and in 1924 became affiliated with the Eastern Cooperative League. In 1938 it helped to organize the New England Cooperative Federation.

In 1928 the Eastern Cooperative Wholesale\* was founded by a handful of Co-ops in New York and New England. The Fitchburg Cooperative joined the new Cooperative Wholesale and has taken an important role in its development. Today Eastern Cooperative Wholesale, Inc. is a business which has grown by leaps and bounds and in 1946 had a business volume of \$6,189,000 through its three warehouses located in New York City, Cambridge, Mass. and

\* In the spring of 1947 Eastern Cooperative Wholesale and Eastern Cooperative League were merged into Eastern Cooperatives, Inc., under which both business and educational activities are carried out.



DR. JAMES P. WARBASSE  
President Emeritus  
Cooperative League U. S. A.



MURRAY LINCOLN  
President  
Cooperative League U. S. A.



JERRY VOORHIS  
Secretary  
Cooperative League U. S. A.

Philadelphia, Pa. The wholesale serves 250 members societies in eleven eastern Atlantic seaboard states north of Virginia. Arvo Mandelin, former manager, has served a number of terms on the board of directors of the wholesale.

As a member of the national and regional cooperative organizations Fitchburg Co-op has sent delegates to conferences, institutes, congresses and annual meetings that have contributed to the development of the cooperative movement. Moreover, it has financially contributed to the maintenance of the regional organizations. Its members have served on various regional committees. Henry Puranen, president of the society, has served as a member of the board of the Eastern Cooperative League.

While Fitchburg cooperators were building their Co-op in their own city the cooperative movement all over the world was making notable progress. Today the International Cooperative Alliance counts in its membership one hundred million members in thirty-nine countries. In Sweden, Denmark, Finland and Scotland the cooperatives have become a stabilizing force of vital importance in the economic life of those countries.

But the most important recent development is seen in America. The American cooperative movement dates back to 1845. Since then it has experienced a number of promising waves of development but it was not until 1916 when the Cooperative League of the U. S. A. was organized by young intellectuals and enthusiasts at a meeting held in Brooklyn, New York, that the foundation for the present growth and expansion was laid. The League was

established as an educational organization to espouse the cooperative principles. Dr. James P. Warbasse, a distinguished surgeon, author and editor, who had become deeply interested in consumer cooperation, was elected president. He served in that position for twenty-five years, retiring from active medical practice in 1918 to devote all his time to the cooperative movement. In 1941 he retired as president and was elected president-emeritus.

For a number of years the Cooperative League carried on its work making little headway. At times it seemed as if no progress were being made at all but the movement began to move forward particularly in the depression years of the thirties when the educational work of the League began to bear fruit and there followed a greatly accelerated pace of development which has continued to this day. Wallace J. Campbell, assistant secretary of the Cooperative League, is authority for the statement that today the cooperative movement of the United States "is growing faster than the cooperative movement of any other country at any time."

Today there are some 2,500,000 American families who are members of cooperatives that did a retail business of one billion dollars in 1946.

As local co-ops have sprung up they have federated and formed wholesales. Today there are twenty-two cooperative wholesales affiliated with National Cooperatives, Inc. of Chicago, a federation of co-op wholesales serving them as its central merchandise bureau. As the volume of the wholesales has increased they have proceeded to move into the field of production in order to control quality and prices. Cooperatives today own some one hundred and seventy manufacturing plants ranging from a small cosmetic plant to a \$5,000,000 oil refinery.

The cooperative movement has made headway not only commercially with cooperative undertaking but it has developed extensive educational activities. The Cooperative League has developed into an effective educational organization with headquarters in Chicago, New York and Washington. Jerry Voorhis, former progressive Californian Congressman, became secretary of the League in the spring of 1947.

The movement has inspired a wealth of literature from small leaflets to volumes on all aspects of cooperation. Scarcely a month passes that a new book, pamphlet or leaflet on the cooperative movement is not published. A beginning has also been made in providing cooperative motion pictures to answer the growing need for visual information about cooperation.

An extensive press has been developed to serve the members and to afford a medium for the discussion of policies and issues facing the movement. Some twenty-six cooperative newspaper, with a total circulation estimated to be 1,225,000 are published by the various regionale leagues.



COAL AND WOOD YARD

As cooperatives have increased both in number and size of operation greater recognition has been given to them in governmental circles. The late Franklin D. Roosevelt appointed Murray Lincoln, president of the Cooperative League of the U. S. A., as a delegate to the United Nations Food Conference in the spring of 1943. This appointment of Murray Lincoln was considered as a recognition of the importance of the cooperative movement and the role that it will take in the post war reconstruction and rehabilitation of a world ravaged by war.

The late President Roosevelt in a letter to Murray Lincoln on the occasion of the Centennial of cooperative movement in 1944 wrote: "I look forward . . . to the contribution that the cooperative organizations will make in the years of peace which lie ahead."

Now that after World War II the world strives earnestly and desperately to weld an international organization that will have the power to prevent another global war from breaking out, the cooperative movement has been recognized as a constructive force working toward that end and its aid has been enlisted. The United Nations has invited the International Cooperative Alliance to become a permanent consultant to the Economic and Social Council of the United Nations and contribute to the preservation of world peace.



**PART OF EMPLOYEES IN THE SPRING OF 1945**

First row (left to right) Taimi Heikkurinen, Tellervo Kuotonen, Tyne Ritala, Laura Kajutuuti, Arvo Mandelin (manager), Laura Tuikka, Rauha Cunningham, Esther Sormunen and Katherine Savola. Second row: Jack Westerback, Kalle Tuikka, Arvo Kajander, Nikolai Wintturi, Arvid Rivers, Kalle Lahtinen, Emil Elo and Urho Heisson. Third row: George Sullivan, Senja Wirkkala, Ruth Laitala, Kay Oja, Lily Salminen, Martha Seppala, Vesta Lahtinen and Leo Mikkola. Fourt row. Dero Malce, Jack Siili, Eino Kajutuuti, Richard Wintturi, Emil Kaista, Einari Kokkinen and Kalle Pasanen.



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## Chapter IX

### LOOKING AHEAD

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The story of the United Co-operative Society of Fitchburg has now been brought up-to-date. In this final chapter it may be well to briefly reflect on its future.

Few cooperatives or other businesses, for that matter, are as well prepared as the Fitchburg Co-op to face whatever adversities may come in the future. During the thirty-seven years since its founding a solid and firm foundation has been laid. It has not been built on borrowed capital. The members own it. In addition to its strong financial position, it has another valuable asset: a membership who understand cooperation and are loyal to their business.

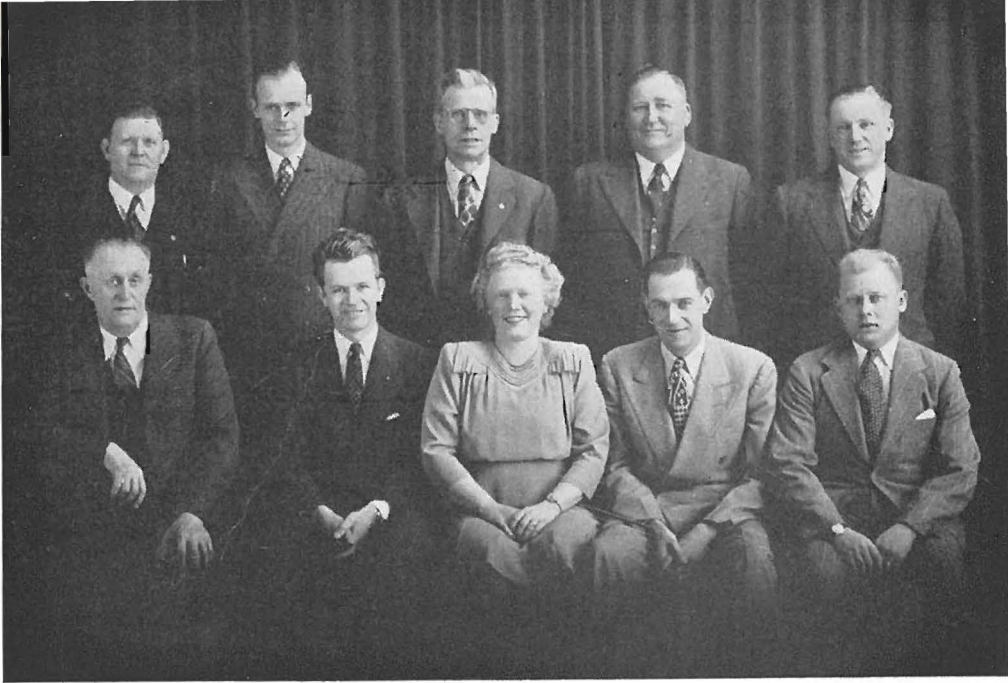
In contrast to the time when the society was organized, today it is strengthened also by being part of a growing American movement that has the endorsement of all religious faiths, political parties, labor organizations and many prominent men and women in public life. Further, it is recognized by the United Nations as a constructive force working toward world peace and a solution of economic and social problems facing modern man that he must master if civilization is to go forward to a higher plane.

Founded by Finnish-American immigrants it is natural that in the early years its activities were confined to the Finnish-Americans of the city, but as the years have passed a change has occurred that is still continuing. The Co-op is reaching out to the entire community. A large part of its educational program in recent years has been done in the English language to acquaint the non-Finnish speaking people with cooperation.

The founders are making way for the younger generation of men and women who are born here and have received their education in our American schools. They are taking their place on the board and other responsible positions in the society. Waino Aalto, the new manager, is one of the younger generation.

Due to this Americanization process English is rapidly supplanting Finnish as the official language. This development makes for greater possibility of growth.

In looking ahead it must be also recognized that the times we live in afford great opportunities for the growth of cooperation. The world is digging out of the rubble of five long years of the most devastating war man has ever waged. It faces many serious problems and in searching for a solution people are open to new ideas and programs.



BOARD OF DIRECTORS 1947. Seated (left to right): Henry Puranen, Olli Rasanen, Rauha Varis, Waino Aalto (manager) and Veikko Linna. Standing: John Aijala, Tuure Tenander, Oscar Oikemus, Oscar Ukkola and Veikko Lehto.

The problems of America as of every industrial nation is how to achieve plenty and security without losing democracy. The raw materials, machinery and manpower are available to produce in abundance the material needs of the people. Unfortunately, however, even in America, blessed as no other country is, there is entirely too much poverty, privation and want amid potential plenty.

Adding to the woes of the people are cycles of good and bad times, of boom and bust periods that are becoming more acute and severe. Even today while this is being written and we enjoy a post-war boom, economists are predicting a serious post-war depression. According to them it is merely a matter of time when with greatly expanded plant capacity and greater efficiency we will catch up with the backlog of orders for cars, houses and household appliances and instead of shortages we shall face overproduction which will plunge our economy into a tailspin.

Another trend that spells trouble is the concentration of control of our economic life into the hand of a very small minority of American people and corporations. Despite laws against monopoly this trend continues unabated. The recent war strengthened monopoly immensely. More and more of our



HENRY PURANEN  
President



WAINO AALTO  
Manager

economic life is coming under the domination of monopolistic interests, stifling free enterprise and extorting an exorbitant tribute for goods and services.

This concentration of control is a grave threat to our American democracy. As monopolies grow they not merely grasp in their octopus like tentacles industries but gain a stranglehold on the press, radio and other means of reaching the public. Not only that, but monopoly is beginning to exercise entirely too much control in Congress, our state legislatures and municipal governments. It is indeed a dangerous development that challenges the very existence of democracy.

To the solution of these problems cooperation holds out a program and a hope that man can both peacefully and democratically solve the problems of poverty, boom and bust and monopolistic entrenchment. Because cooperatives have a program for our times, the Fitchburg Co-op as part of this movement has an excellent opportunity for growth and expansion.

Whether cooperation will become the dominant force in our economic life depends on the people. If they want it, it will become the dominant influence but only through their voluntary action. But even though it does not become the dominant influence in our economy it can develop into an important economic force in a mixed economy such as Marquis Child's describes in "Sweden: The Middle Way."

In facing the future it must be recognized that despite all the fine endorsements of the cooperative movement, everyone does not believe in Cooperatives. Cooperation has its enemies. Some are hostile because they are misinformed, while others see in it a danger to their own selfish interests. There are those who believe that they have a God given right to profiteer on the needs of their neighbors and look askance at a movement which seeks to instill



THE TWO SERVICE STATIONS. Above Fitchburg station at 345 Elm Street and below the Gardner station at 80 West Street

confidence in the people in their ability to organize and meet their own economic needs without profit to anyone.

The opposition is not to be feared. In fact, the opposition is good for the movement. The attacks on cooperation makes friends for cooperation. But this opposition must be watched. It is well financed. It has wide and diverse means of reaching the public. It operates on the principle that repetition even of lies, half-truths and distortions impresses those who are too lazy or unwilling to search for the truth. To combat the hostile forces the cooperative must maintain an active and alert educational program.

As the United Co-operative Society looks ahead to the future it has much to be proud of, but at the same time the members and officers are aware of many improvements and expansions in present services that it must undertake. The possibilities are limitless.

Our story is now complete. Looking back through the past thirty-seven years the members of the United Co-operative Society have much to point to with pride. They succeeded where others failed. They steered clear of shoals that would have meant

disaster and weathered the storms of adversities from within and without. They built a flourishing cooperative business that is a credit to them and brings fame to their city. They have demonstrated what people without much education or money but with a common purpose, loyalty and persistence can accomplish by applying the principles of consumer cooperation to their problem. They have proved that cooperative principles are not visionary, but practical. What they have achieved gives hope that there is a democratic solution to the problems of modern man.

On looking ahead there is much reason for optimism. The Cooperative is well prepared to plan for expansion and improvement of present services and to consider new ones. Through the years it has gained much practical experience and knowledge. It is on a solid footing. With younger men and women stepping to the helm the society is experiencing a rebirth and rededication to the task of promoting cooperation in Fitchburg.

THE END

# *Appendix*

# LIST OF OFFICERS, BOARD, COMMITTEE MEMBERS, AND EMPLOYEES



[as of July, 1947]

## OFFICERS AND DIRECTORS

HENRY PURANEN, President  
WAINO AALTO, Treasurer  
WEIKKO LEHTO, Secretary  
OLLIE RASANEN  
VEIKKO LINNA  
OSCAR OIKEMUS  
RAUHA WARIS  
JOHN AJALA  
OSCAR UKKOLA  
TUURE TENANDER

## GARDNER STORE COMMITTEE

OSCAR OIKEMUS, Chairman  
ELSA LINDEN, Secretary  
OSCAR LAHTI  
VICTOR LUUKAS  
HELMI JARVELA  
KALLE JARVELA  
OLGA TEITTINEN  
HJALMAR TEITTINEN  
WALTER WESA  
HULDA LEHTO

## MILFORD STORE COMMITTEE

SAMUEL KARNIS, Chairman  
EARLE FITCH, Secretary  
WAINO KOKKO  
MRS. JOHN OLLIKAINEN  
EUGENE WOODWARD

## PUBLIC RELATIONS COMMITTEE

TAUNO VALIMAKI, Chairman  
AUNE MERILA, Secretary  
SANTERI LAPPI  
AUNE MINER  
JOHN PERA  
SIXTUS WISTI  
NAEMI PURANEN  
RAUHA WARIS  
OSCAR UKKOLA

## EMPLOYEES

815 MAIN ST., FITCHBURG, MASS.

### Office:

WAINO AALTO, General Manager  
WEIKKO HILL  
MARTHA SEPPALA  
AINI VALLEY  
RAUHA CUNNINGHAM  
HELEN HANNINEN  
DORIS AHO

### Grocery and Meat Department:

WEIKKO JARVI  
WALTER SANTAVIITA  
LILY SALMINEN  
ESTHER MAKI  
TAIMI HEIKKURINEN  
MARTHA NIEMELA  
IRJA TUKIAINEN  
HELEN ANTTILA  
DONALD BOUVIER  
WAITE RISSANEN  
ARTHUR SIVULA  
AIMO MOILANEN  
KALLE LAHTINEN  
KENNETH BLOOD  
ROBERT LUOMA  
VOITTO JOHNSON

161 ASHBURNHAM ST., FITCHBURG

Grocery and Meat Department

LEO MIKKOLA  
RUTH LAITALA  
THERESA GALLAGHER

347 ELM ST., FITCHBURG

Grocery and Meat Department

NILLO ORAVA  
JORMA SNELLMAN

359 ROLLSTONE ST., FITCHBURG

Grocery and Meat Department

URHO HEISSON  
KAINO OJA  
LILLIAN CHASE  
ARTHUR TUIKKA  
VICTOR HANSEN

61 PARKER ST., GARDNER, MASS.

Grocery and Meat Department

EDWARD NIVELL  
ROBERT SUND  
HELEN LINDSTROM  
WILLIAM SUND

14 SOUTH ST., MILFORD, N. H.

Grocery and Meat Department

FRED MARSHALL  
HERBERT BAUM  
KENNETH BATCHELDER

345 ELM ST., FITCHBURG

Service Station

WALTER JOKINEN  
MARTTI SIREN

80 WEST ST., GARDNER, MASS.

Service Station

LOUIS GLAD  
CHESTER BLOMQUIST

254 RIVER ST., FITCHBURG

Coal and Fuel Oils

ARTHUR TOPFERI  
EERO MALCE  
ARVO HEIKKILA  
RICHARD WINTTURI  
JOHN WINTTURI

815 MAIN ST., FITCHBURG

Clothing Department

WILHO ROSTEDT

Garage

JACK WESTERBACK

Bakery

JAAKKO SIILI  
THEODORE KARVONEN  
OSCAR LAINE  
JACOB HIRVI  
EMIL ELO  
KALLE OJAMAKI  
JACOB LUOMA  
CARL LEHTONEN  
EINARI KOKKINEN  
KALLE PASANEN  
EDWIN KOSKELA

Dairy

JOHN PERA  
EMIL MALCE  
WILLIAM McINTYRE  
OLAVI KARPPINEN  
VEIKKO MAKELA



## A FEW IMPORTANT DATES IN THE EARLY HISTORY OF THE CO-OP

FEBRUARY 26, 1910 —

Organization meeting held.

MARCH 6, 1910 —

Name Into Grocery Company and by-laws approved.

MAY 1919 —

First store opened at 161 Ashburnham St., West Fitchburg.

MARCH 5, 1911 —

Important by-laws changes approved clearly defining cooperative nature of business.

MARCH 16, 1911 —

Meeting held in Fitchburg that started possibility of expansion and future growth in Fitchburg proper.

MAY 27, 1912 —

First expansion move made. Second store opened at 9 Rollstone Street, Fitchburg.

JUNE 1916 —

Name changed to clearly identify it as a cooperative — Into Cooperative Store, Inc.

MARCH 5, 1918 —

Cooperative Building dedicated.

OCTOBER 15, 1919 —

Co-op joins with cooperatives in other communities to form United Cooperative Society and experiment as a part of a large super organization known as the million dollar cooperative.

AUGUST 4, 1921 —

Experiment of "million dollar cooperative" officially ends. Co-op returned to local members intact. It's new official name is United Co-operative Society of Fitchburg, which it has retained to this day.



### Managers Who Have Served The Co-op

JOHN J. SYRJALA, May 1910 - January 1911

ALEXANDER LAHONEN, January 1911 - April 1912

MATTI MATTILA, April 1912 - December 1913

VILLE SALMI, December 1913 - November 1915

KUSTAA E. GRANDAHL, November 1915 - May 1936

ARVO MANDELIN, May 1936 - January 1947

WAINO AALTO, January 1947

## VOLUME AND SAVINGS 1910-1946

Year	Business Volume	Savings (\$473)
1910	14,922	1,577
1911	25,000	1,043
1912	39,160	*
1913	70,674	1,200
1914	75,500	1,437
1915	70,309	4,436
1916	97,097	*
1917	144,713	3,316
1918	245,896	11,000
1919	302,739	*
1920	290,000	2,244
1921	250,000	3,846
1922	246,186	7,952
1923	270,525	11,293
1924	277,595	11,936
1925	285,381	12,694
1926	322,650	10,948
1927	332,745	10,424
1928	319,322	13,246
1929	371,324	18,200
1930	373,610	11,060
1931	330,558	3,846
1932	311,242	4,371
1933	294,870	3,796
1934	353,766	4,796
1935	379,123	7,555
1936	424,548	10,459
1937	526,030	18,068
1938	519,003	19,334
1939	523,439	14,560
1940	573,410	11,884
1941	641,152	25,186
1942	724,045	22,330
1943	661,481	21,011
1944	684,883	26,828
1945	639,717	32,151
1946	869,706	
<b>TOTAL</b>	<b>\$12,882,321</b>	<b>\$364,027</b>

\*Figures on savings for these years could not be found.

NOTE: Sales for first half of 1947 were \$505,333 which indicates that this year will be a million dollar year. Net savings for the 6 months period was \$16,858.

# UNITED CO-OPERATIVE SOCIETY OF FITCHBURG

## BALANCE SHEET — DECEMBER 31, 1946

### ASSETS

**CURRENT:**

Cash on Hand .....	410.00			
Cash in Banks, Check Account .....	39,217.48	39,627.48		
Cash in Bank, Savings Account .....		3,166.15	42,793.63	
Accounts Receivable .....		11,684.09		
Reserve for Doubtful Accounts .....		4,617.49	7,066.60	
Merchandise and Raw Material Inventories .....			60,114.00	109,974.23

**DEFERRED:**

Prepaid Insurance .....				263.61
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**INVESTMENTS:**

United States Government Bonds .....		4,000.00		
Shares in Eastern Cooperative Wholesale .....		6,222.03	10,222.03	
Meter Deposits .....			20.00	10,242.03

**FIXED:**

	Cost	Reserve Deprec.		Net Value
Trucks .....	14,318.58	14,318.58		—
Store Equipment .....	22,945.53	17,752.74		5,192.79
Fitchburg Oil Station Equipment .....	2,288.12	2,288.12		—
Gardner Oil Station Equipment .....	1,757.32	1,389.07		368.25
Bulk Oil Station Equipment .....	1,276.38	1,276.38		—
Coal Yard Equipment .....	3,244.57	2,864.57		380.00
Repair Shop Equipment .....	356.57	356.57		—
Dairy Equipment and Machinery .....	9,679.90	5,909.67		3,770.23
Bakery Equipment and Machinery .....	3,375.88	3,267.29		108.59
Warehouse Equipment .....	674.49	674.49		—
Office Equipment .....	1,394.49	895.49		499.00
Roominghouse Furniture .....	68.94	68.94		—
Main Building .....	16,300.00	1,304.00		14,996.00
West Fitchburg Building .....	2,400.00	270.00		2,130.00

Elm Street Building .....	15,707.82	15,707.82	—	
Rollstone Building .....	4,981.50	4,981.50	—	
Fitchburg Oil Station Building .....	2,154.91	1,287.71	867.20	
Gardner Oil Station Building .....	4,850.01	727.38	4,122.63	
Coal Yard Building .....	3,666.79	3,666.79	—	
Plant Building .....	26,798.81	8,965.81	17,933.00	
Dwelling .....	3,839.45	1,539.45	2,300.00	
Land .....	26,000.00		26,000.00	
	<b>TOTALS</b>	<u>168,080.06</u>	<u>89,512.37</u>	<u>78,567.69</u>
			<b>TOTAL ASSETS</b>	<u>199,047.56</u>

### LIABILITIES

#### CURRENT:

Transitory Deposits .....		9,598.59		
Employees Benefit Fund .....		2,298.87		
Milk Coupons Outstanding .....		520.00		
Accounts Payable .....		488.53		
Salaries Payable .....		395.49		
Interest Payable .....		16.98		
Socialistic Building Co. Shares .....	540.00			
Interest Payable on Building Shares .....	413.28	953.28	14,271.74	
<b>TO MEMBERS AND CUSTOMERS:</b>				
Rebate Notes Payable .....	188.91			
Share Capital Interest Reserve .....	1,293.70	1,482.61		
Trade Rebates Payable .....		26,710.25	28,192.86	42,464.60
<b>NET WORTH:</b>				
Share Capital .....		25,830.00		
Share Capital Part Payments .....		2,793.23	28,623.23	
Reserve Surplus .....	64,808.66			
Donated Capital .....	30,999.90	95,808.56		
Savings 1/1 — June 30 1946 .....	16,149.85			
Savings 7/1 — December 31, 1946 .....	16,001.32	32,151.17	127,959.73	156,582.96
		<b>TOTAL LIABILITIES AND NET WORTH</b>		<u>199,047.56</u>

# OPERATING STATEMENT

January 1 to December 31, 1946

## TRADING STATEMENT:

Sales .....			\$869,705.75	
Products Transfers .....			74,360.74	\$944,066.49
			<hr/>	
Merchandise Inventories January 1, 1946 .....			33,396.93	
Melchandise Purchases .....	\$626,728.15			
Products Transfers .....	58,563.36	\$685,291.51		
	<hr/>			
Raw Material Purchases .....	89,117.86			
Production Wages .....	27,516.32			
Other Production Costs .....	10,174.29	126,808.47		
	<hr/>			
Warehouse and Transfer Wages .....	5,081.68			
Other Warehouse and Transfer Costs .....	1,913.37	6,995.05	819,095.03	
	<hr/>		<hr/>	
Cost of Goods Handled and Produced .....			852,491.96	
Merchandise Inventories December 31, 1946 .....			60,114.00	
			<hr/>	
Cost of Sales and Transfers .....				792,377.96
				<hr/>
Gross Margin from Trading and Production .....				151,688.53
<b>TRADING EXPENSES:</b>				
Selling:				
Salaries of Salesforce .....		55,538.87		
Advertising .....		1,652.90		
Wrappings .....		4,340.06		
Other Selling Expenses .....		356.79	61,888.62	
		<hr/>	<hr/>	
Delivery:				
Drivers' Wages and Commissions .....		15,147.62		
Truck Repairs and Maintenance .....		4,152.49		
Gasoline and Oil for Trucks .....		2,566.03		
Garage Rent .....		162.00		

Truck Taxes and Licenses .....		190.02	
Insurance on Trucks and Drivers .....		711.21	
Accidents .....		33.90	
Bottle Charges (deduct) .....		(366.82)	22,596.45
			<hr/>
Office and Administration:			
Office Salaries .....	13,521.93		
Office Supplies .....	533.87		
Telephone Expense .....	1,120.47		
Office Rent .....	223.51		
Office Insurance .....	158.88		
Repairs on Office Equipment .....	81.36		
Depreciation of Office Equipment .....	97.86		
Directors' Expenses Paid .....	78.00		
Auditing .....	444.50		
Traveling Expense .....	290.77		
Miscellaneous Office Expense .....	26.00	16,577.15	
		<hr/>	
Charged to Production:			
Office Salaries .....	1,326.53		
Other Office Expenses .....	304.83	1,631.36	14,945.79
		<hr/>	
Current Expenses:			
Rent .....		8,955.00	
Light, Power, and Ice .....		2,734.54	
Laundry and Cleaning .....		837.39	
Taxes and Licenses .....		685.84	
Insurance .....		851.36	
Repairs of Equipment .....		1,980.00	
Depreciation of Equipment .....		1,855.12	
Miscellaneous Expenses .....		1,266.16	
Reserve for Doubtful Accounts .....		390.47	
Social Security Taxes .....		2,083.03	21,638.91
		<hr/>	<hr/>
Total Trading Expenses .....			121,069.77
Net Income from Trading and Production .....			<hr/> 30,618.76

NON-OPERATING INCOME AND EXPENSE:

Interest Income .....	160.47	
Bad Accounts Collected .....	246.07	
Finland Box Account .....	968.02	
Old Trucks Sold .....	499.37	
Old Equipment Sold .....	255.00	
Net Income on Ice Cream Equipment Sale .....	980.00	
Miscellaneous Sales .....	33.05	
Rebate Received from United Co-op. Farmers .....	25.79	3,167.77
Interest Expense .....	180.53	
Servicemens' Payments .....	172.60	
Educational Expense .....	1,282.23	1,635.36
Non-operating Income in Excess of Non-operating Expense .....		1,532.41
Net Income for the Year 1946 .....		32,151.17

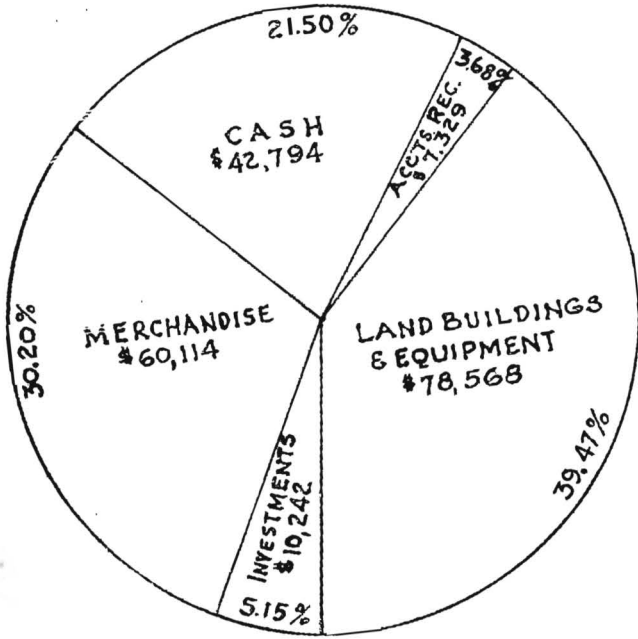
COMPARATIVE TABLE:

	7/1— 12/31/1946	7/1— 12/31/1945	1/1— 12/31/1946	1/1— 12/31/1945
Sales .....	\$480,220.72	\$344,935.90	\$869,705.75	\$639,717.48
Percentage Comparison .....	139.22%	100.00%	135.95%	100.00%
Gross Margin .....	16.47%	18.50%	17.44%	18.83%
Trading Salaries .....	8.96%	9.48%	9.53%	9.88%
Other Trading Expenses .....	4.40%	4.50%	4.39%	4.71%
Total Trading Expenses .....	13.36%	13.98%	13.92%	14.59%
Net Trading Income .....	3.11%	4.52%	3.52%	4.24%
Non-operating Income (Expense) (Net) .....	.22%	(.04%)	.18%	(.05%)
Net Income for the Period .....	3.33%	4.48%	3.70%	4.19%
Net Income for the Period .....	16,001.32	15,450.95	32,151.17	26,828.44
Average Inventories .....	54,306.24	35,079.82	47,336.47	37,045.51
Stock-turns (Times per Year) .....	16.29	17.46	16.74	15.31

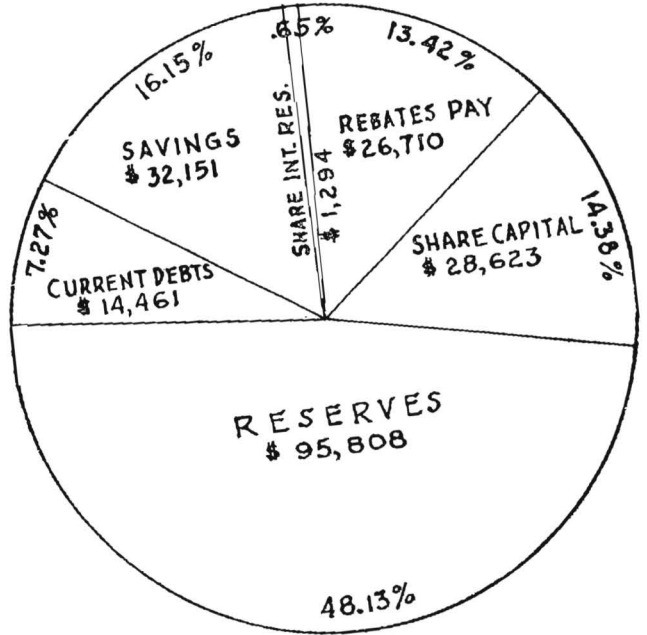
(The percentages are computed on the net sales and the stock-turn in times per year)

# CHARTS SHOWING

## WHAT CO-OP HAS



## WHO OWNS THE CO-OP





# WHAT THEY SAY ABOUT CO-OPS



THE CHRISTIAN CENTURY — *“There can be no question that within the boundaries of a specific cooperative organization we have a manifestation of the Christian spirit of brotherhood.”*

\* \* \* \* \*

NATIONAL CATHOLIC RURAL LIFE CONFERENCE — *“Cooperatives patterned on sound Rochdale principles are so completely in harmony with Catholic dogma and Catholic philosophy of life.”*

\* \* \* \* \*

CENTRAL CONFERENCE OF AMERICAN RABBIS — *“(We) . . . heartily endorse the cooperative movement’s motives and aspirations.”*

\* \* \* \* \*

PHILIP MURRAY of the C. I. O. — *“I am convinced that the development of cooperatives is a real step towards the protection of consumer purchasing power. Cooperatives, furthermore, contribute to democracy.”*

\* \* \* \* \*

WILLIAM GREEN of the A. F. of L. — *“By organizing in consumer cooperatives we use collective action to assure good quality and fair price in the goods we buy.”*

\* \* \* \* \*

THE NEW YORK TIMES — *“One of the world’s most peaceful, most constructive economic reform movements.”*

\* \* \* \* \*

COMMITTEE ON SMALL BUSINESS, House of Representatives in 1946 — *“There is substantial evidence to show that the cooperative movement operates as a very successful means of combating monopolistic concentration and, as such, is a very healthy addition to the American economy.”*

\* \* \* \* \*

FORTUNE MAGAZINE — *“The community as well as the individual gains by their existence.”*

\* \* \* \* \*

JOE ELMER MORGAN, National Education Association — *“The cooperative movement offers a peaceful pathway towards a better civilization.”*