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Dairy Cooperatives: What Factors Contribute to Maintaining Mountain Dairy Farming?

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Context and issues

1 Dairy cooperatives are essential to the milk industry in France, collecting over 50% of the milk produced (Coop de France, 2010). Milk quotas have regulated the supply in Europe since 1984 but are to be abolished in 2015. This will lead to widespread competition between European milk producers (Dervillé et al., 2012). The expected effect is a drop in milk prices and more price fluctuations. The future of the least productive dairy farms or those with higher production costs, such as mountain farms, may well be put on the line. Downstream operators will also be impacted as their competitive position is challenged on the globalised milk market. What roles can dairy cooperatives play in order to maintain mountain dairy farms?

2 Much research has focused on farming cooperation. Forestier and Mauget (2000), Koulytichizky and Mauget (2003), Mauget (2008), Filippi et al. (2009) are some of the authors to have underlined the key transformation trends affecting farming cooperatives: grouping, vertical integration, mergers, buy-outs, creation of subsidiaries, etc., leading to cooperative groups open to internationalisation but also to possible mismatches between cooperative logic and capitalistic logic. Duvaleix et al. (2003) pinpoint the changes in
The governance of these cooperatives and the distancing of members in relation to the decision-making authorities. Angeon et al. (2006) consider that farming cooperatives play a specific role in maintaining agriculture and developing local areas. Many cooperatives continue to remain close to their roots although hybrid local/global structures can also be seen to emerge (Filippi, 2004; Filippi et al., 2008; Corniaux et al., 2014). Regarding the dairy sector, the FNCL stipulates that a dairy cooperative is a company belonging to milk producers who share the same project and interests. The cooperative has a contract stipulating the reciprocal duties of it and its members. It is bound to collect and pay for all the milk produced and sell it at the best price, sometimes after making it into cheese. Only members can terminate the contract when it is due to expire (unless there are serious reasons for excluding a member). In the French mountains (Delfosse, 2006; Ricard, 2014), the traditional cooperative system implemented is based on “indirect management”. Unlike the “milk sale” system, it allows producers to negotiate a better milk price with their buyer. In the 1960s, the first cooperatives based on the “indirect management” model were set up in areas where producers believed they were not being properly remunerated by their buyers. In terms of economic size, there are small-scale cooperatives and national or international cooperative groups such as Sodiaal (Dänzer-Kantof et al., 2012), ranked as the third biggest dairy cooperative in Europe and fifth at world level.

We suggest that these various types of cooperative play different but essential roles when it comes to maintaining mountain dairy farms. Based on a case study of two dairy production areas in the northern French Alps, we explore the contrasting histories of the cooperatives in these areas, their interrelations, the relations between the dairy cooperatives and their members, and their ties with the local area. As a discussion we present the advantages and limits of the research. We underline the roles of cooperatives in maintaining mountain dairy farming but also factors pointing to their weaknesses and the limits of their actions.

**Methodology and areas studied**

**Two dairy areas in the northern French Alps**

We decided to study two areas where the future of dairy production is uncertain: the Quatre-Montagnes area (in the canton of Villard de Lans), and that of the Cœur de Chartreuse association of municipalities. Both dairy production areas have a fairly similar context: they are both close to the Grenoble metropolitan area, both located in regional natural parks (the first is in the Vercors park created in 1970 and the second is in the Chartreuse park created in 1995), both are touristic and subject to urban development pressures, and both belong to areas producing cheeses for which there is an official certification of origin (the “Bleu du Vercors-Sassenage” AOC in the Quatre-Montagnes area, the “Saint-Marcellin” IGP in both areas and the “Tomme and Emmental de Savoie” IGP in the Cœur de Chartreuse area). However, the areas differ in other respects: in the Cœur de Chartreuse, there is a higher level of milk production (18 million litres compared with 7 million in the Quatre-Montagnes), and there are more operators collecting and selling the milk; the areas have different forms of cooperatives playing different roles: 100% of Quatre-Montagnes milk is collected by the Vercors Lait cooperative and the Sodiaal cooperative group, whereas in the Chartreuse there is much less cooperation (25%...
of milk produced is collected by the Entremonts cooperative and Sodiaal while other producers deliver to private operators with some doing this via the Miribel sales cooperative).

**Study method**

For the Quatre-Montagnes area, we performed an in-depth investigation combining bibliographic sources and interviews with local experts so that we could reconstruct the chronological history of the dairy area (Napoléone et al., 2015, to be published). We also performed semi-structured interviews (27 with dairy farmers and 4 with dairy cooperative managers and technicians), in order to gain a better understanding of the area’s history and changes to structures, strategies and interrelations between cooperatives and members and with other local stakeholders. As a counterpoint, our study of the Cœur de Chartreuse was based on interviews with dairy producers, cooperative managers and the Savoie county-level cooperative federation (FDCL), which has authority over both areas. Our analyses focused on identifying and characterising the relations between farmers and their cooperatives (for each cooperative) and the coordination between cooperatives and their relationship with the local area (for each dairy production area), together with the history behind these interrelations.

**The dairy cooperatives present in the areas**

Contrasting histories...

The cooperatives in the Quatre-Montagnes and Cœur de Chartreuse areas have contrasting histories as summarised in table 1. Vercors Lait and the Entremonts cooperative have built their strategy on their strong relationship with the local area, creating value through the production of cheese bearing an official quality label and direct sales, while the Miribel cooperative, having failed to perform a number of necessary changes, has become a sales cooperative. All three cooperatives have continued to work on limited collection zones. The Sodiaal cooperative group is present in these zones since the Dauphilait cooperative close to Grenoble, which used to collect some of the Quatre-Montagnes and Cœur de Chartreuse production, became part of the group following a series of mergers with other regional cooperatives within the ORLAC cooperative.

<table>
<thead>
<tr>
<th>Time markers</th>
<th>Type (*)</th>
<th>Events</th>
<th>Producer/Coop relations (local level)</th>
<th>Coop/Coop and Coop/local area relations</th>
</tr>
</thead>
<tbody>
<tr>
<td>VERCORS-LAIT (Quatre-Montagnes)</td>
<td>1924</td>
<td>IM</td>
<td>Creation of cheese dairy in Villard de Lans</td>
<td></td>
</tr>
</tbody>
</table>

Table 1: Short history of the cooperatives operating in the Quatre-Montagnes and Cœur de Chartreuse areas
<table>
<thead>
<tr>
<th>Year</th>
<th>Type</th>
<th>Event Description</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1956</td>
<td>DM</td>
<td>Creation of Vercors Lait – Merger between local cooperatives</td>
<td></td>
</tr>
<tr>
<td>1973-74</td>
<td></td>
<td>New milk processing site</td>
<td>Producers buy land. Some producers leave (1st split)</td>
</tr>
<tr>
<td>1980s</td>
<td>IM SC</td>
<td>Difficulties =&gt; rental then sale to Fromalp, then Besnier (which later became Lactalis)</td>
<td>No support from local authority</td>
</tr>
<tr>
<td>1990s</td>
<td></td>
<td>AOC for “Bleu du Vercors-Sassenage” obtained in 1998</td>
<td>Initiative of producers who wanted to create a cheese AOC</td>
</tr>
<tr>
<td>2003</td>
<td>DM</td>
<td>Lactalis pulls out</td>
<td>Producers want to keep local dairy factory =&gt; investment, takeover based on DM Support from local stakeholders: the association of municipalities buys the building and the Vercors regional natural park buys the collection truck</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td>Difficulties =&gt; new management team</td>
<td>2nd split: some producers leave Vercors Lait /Sodiaal sales agreement</td>
</tr>
<tr>
<td>Since 2007</td>
<td></td>
<td>Improvement of the economic situation, new specifications, etc.</td>
<td>Involvement of producers in coop strategy Project of organic milk collection and collection agreements with Sodiaal</td>
</tr>
</tbody>
</table>

**Current challenges:** enhance value of the milk by increasing the amount processed for cheese-making, enhance the value of the cheeses produced, diversify direct sales locations, and prevent a drop in the volume of milk produced in the area.

**ENTREMONT COOPERATIVE (Cœur de Chartreuse)**

<table>
<thead>
<tr>
<th>Year</th>
<th>Type</th>
<th>Event Description</th>
<th>Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>1935</td>
<td>IM</td>
<td>Creation of cooperative</td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>DM</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Since 1985</td>
<td></td>
<td>Adoption of “Tomme de Savoie” IGP specifications.</td>
<td>Support from local authority (buys buildings and rents them to the coop, performs maintenance work)</td>
</tr>
</tbody>
</table>
### Tomme de Savoie

Production stops

- Isère based producers join the Miribel coop, which is not in the label zone

- Negotiations for including Isère producers in the Tomme de Savoie, Saint-Marcellin and raclette label zones

#### Current challenges:
- Ensure the transmission of the cooperative management and cheese-making, be less dependent on certain customers for revenue.

### MIRIBEL COOPERATIVE (Cœur de Chartreuse)

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1931</td>
<td>Creation</td>
<td>Creation of cooperative, production of cheese</td>
</tr>
<tr>
<td>1995</td>
<td>DM followed by SC</td>
<td>Prohibitive investments needed to bring the dairy processing factory in line with standards</td>
</tr>
<tr>
<td>2007</td>
<td>SC</td>
<td>Milk crisis</td>
</tr>
</tbody>
</table>

1st split: producers leave the Entremonts coop (similar production modes and wish to be in a DM cooperative able to create better value for the milk produced)

Sale of milk to Sodiaal

2nd split: producers leave the Entremonts coop (economic difficulties + disagreements about coop strategies)

Sodiaal stops collecting from producers in the Miribel coop, which must now find a new buyer (Ste Colombe cheese dairy)

#### Current challenges:
- Renewing of farms with, if possible, farms of diverse sizes more likely to be attractive for a transmission

### SODIAAL (Quatre-Montagnes and Cœur de Chartreuse)

<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1942</td>
<td>SC</td>
<td>Creation of Société laitière Agricole</td>
</tr>
<tr>
<td>1951</td>
<td>DM</td>
<td>Becomes Dauphilait</td>
</tr>
<tr>
<td>1961</td>
<td></td>
<td>Merge between regional cooperatives: creation of URLAC</td>
</tr>
</tbody>
</table>

Located in Grenoble but collecting from Quatre-Montagnes and Cœur de Chartreuse

Coop originally focused on group-based approach
<table>
<thead>
<tr>
<th>Year</th>
<th>Event</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>1966</td>
<td>URLAC becomes ORLAC.</td>
<td>Creation of processing factory in Vienne</td>
</tr>
<tr>
<td>1990</td>
<td>SC (ORLAC)</td>
<td>Processing activities and dairy product sales transferred to Sodiaal</td>
</tr>
<tr>
<td>2000</td>
<td></td>
<td>Group refounded as a single coop with regional coops maintained</td>
</tr>
<tr>
<td>2007</td>
<td></td>
<td>Regional unions merged into a single entity</td>
</tr>
</tbody>
</table>

Current challenges: for Sodiaal, maintain its leading position on a highly competitive and globalized market, reduce production costs and optimize dairy processing factory operation. For each Union, prove its individual worth while serving the interests of the group.

(*) DM: direct management; IM: indirect management; SC: sales cooperative.

... coordination and tension between cooperatives

7 The cooperatives in the Quatre-Montagnes area have set up coordination. Today, Sodiaal collects organic milk to supply its Saint-Etienne factory specialising in organic and baby milk. The quantity of milk required (2 million litres) meant involving Vercors Lait. A collection agreement was signed between the two cooperatives covering all the milk collected from Vercors: the Vercors Lait cooperative collects all the milk produced (3 million litres) and uses the quantity it needs for its cheese production; Sodiaal recovers what is left, which allows it to fill its collection tankers trucks. In fact, as part of a sales agreement, Sodiaal has been buying the milk not used by Vercors Lait for its cheese production since 2007. These agreements benefit both cooperatives. Vercors Lait can sell off the milk it does not use in cheesemaking at an acceptable price while Sodiaal is able to reduce its logistic costs and ensure a substantial and regular supply to its factories in Vienne and Saint Etienne.

8 Conversely, in the Cœur de Chartreuse area, the dairy cooperatives function separately. Their relations can be tense. During the milk crisis in 2007, the Miribel cooperative suffered economic difficulties and its members failed to agree on a strategy: either join the Entremonts cooperative after changing their production modes (since Entremonts did not allow its members to use grass or maize silage methods), or remain within the Miribel cooperative under a Sodiaal sales contract. Seven producers decided to join the Entremonts cooperative. Sodiaal therefore stopped collecting milk from the remaining producers who were obliged to find a new buyer.
Interrelations between dairy cooperatives and their members

Producers’ commitment to their cooperative: a question of distance?

The principle of “one man, one voice” allows farmers to have a say in the cooperative’s decisions. However, the way cooperatives operate and the say-so of their producers differ according to type and economic size. In the cooperatives based on the direct management and sales models in the two dairy-producing areas, a small economic size and geographic proximity are conducive to the producers’ direct involvement in the operation and strategy of the cooperative. According to one member of Vercors Lait, “Being in a small cooperative where you can get quite involved, it’s much more rewarding.” And in difficult times, the producers’ commitment can help save the cooperative, but also the local dairy production. This was the case in 2003 when Lactalis withdrew from the cooperative. As one farmer explained, “either they stopped and everyone stopped or the factory would close anyway and we would lose the AOC label. So... there you have it, we bought in to save ourselves.”

In 2007, the producers’ commitment to Vercors Lait could be seen financially (milk payments postponed), but also through their involvement in terms of the work that went into making and selling the cheese. However, their closeness can also be a source of tension when disagreements arise concerning management or strategy-related questions, or during an economic crisis. These situations can lead to members leaving to join other structures.

The situation is different in a group like Sodiaal. Some of the farmers surveyed have been members for generations while others have joined following difficulties in their cooperative (e.g. some farmers left Vercors Lait for relational but also economic reasons). The Sodiaal members surveyed have not had much direct involvement in the group’s development. Some are sorry about this while others see this with indifference. For the latter, the most important aspect is the security offered by this big group. However, Sodiaal members may take part in different actions proposed. For instance, one of the Quatre-Montagnes farmers goes to the meetings of a Sodiaal’s organic group. This strengthens his social and professional relations with other members.

What the cooperatives do for their members

The cooperatives manage the milk produced by their members, from both a quantity and quality point of view, ensuring they receive the best price for it. This means making sure the milk meets the expectations of the market, as well as planning ahead for these expectations. The cooperatives’ pro-member actions focus essentially on milk price and quality.

Defining the milk price. Before the end of quotas, the cooperatives take part in dairy industry negotiations in order to define the base price for milk. The direct management cooperatives then each define their milk remuneration table according to the quality of the product. They apply various criteria depending on the end use of the milk and whether it is processed to make cheese, according to different periods of the year (higher price in the summer when less milk is produced), and in line with specifications. This may
lead to penalties or bonuses. The latter also depend on the cooperative's financial possibilities. For example, Vercors Lait was only able to offer a “butyric” bonus\(^1\) at the end of the 2012-2013 period. The sales cooperatives provide dairies with a single point of contact and have a say in milk price negotiations. For instance, the Miribel cooperative was able to negotiate a Saint-Marcellin IGP bonus for its members, which is something that individual producers and deliverers do not benefit from. The cooperatives have planned ahead for the end of quotas, studying new milk remuneration systems so that farmers can adapt to new market features. This is the case of Sodiaal with its “volume-price” system\(^4\).

- Improving the quality of milk and its value. The cooperatives provide the producers with assistance through actions targeting the hygienic quality of their milk or, for those concerned, its “fromageabilité”\(^1\). Sodiaal develops more diverse quality approaches with the aim of better meeting market requirements and obtaining a better price for the milk produced by its members. This is the case of approaches promoting “milk from the region”, “small-scale producers’ milk”, or “omega 3-high milk”, or emphasising a commitment to organic farming. In the eyes of the South-East Sodiaal Union Manager, these approaches focusing on the specific qualities of the local produce help to compensate for the lack of competitiveness in some mountain areas. The “Route du Lait” (Milk Route) is a group-wide overall quality approach that promotes milk by focusing on more than just the product quality\(^1\).

Furthermore, in order to better manage supply and demand, as well as its processing units, Sodiaal has set up a collection planning system via the internet. Thus, based on their various demands, the cooperatives can encourage the farmers to make certain changes to their production system (animal feeding, calving periods, switch to organic farming, etc.). To assist them with these changes, technical support can be provided by the cooperatives’ technicians (case of Sodiaal), or this can be delegated to the Milk Recording Board (Vercors Lait) or to the FDCL (Entremonts cooperative).

**Discussion: what roles do the cooperatives play in the maintenance of mountain dairy farming?**

**Contributions and limits of our work**

We performed an in-depth analysis of the workings of and changes to a mountain dairy area and the role played by cooperatives. Our analyses and, in particular, our diachronic approach revealed a diverse range of cooperatives evolving in different ways (with the same cooperative possibly switching from one model to another: indirect management/direct management/sales cooperative). Our work also helped us to identify cooperative-member relations (with different forms of producer commitment to their cooperative), cooperative-cooperative relations (coordination and “win-win” agreements, or tension and competition), and the links between the cooperatives and the local areas studied. Our study was nevertheless exploratory and qualitative. We did not quantify the effects of changes to cooperative strategy on the farms and the area itself. Moreover, while the detailed study of the Quatre-Montagnes dairy area was compared with that of the Cœur de Chartreuse, similar analyses would have to be carried out in other study areas before any general conclusions can be drawn.
The positive roles played by the cooperatives in maintaining mountain dairy farming ...

Writing about Dauphilait in 1962, Martin-Joël already noted that “without a cooperative, hundreds of farmers would have to [...] abandon their farms as dairy production is the only thing that keeps them going”. Unlike private enterprises, cooperatives allow their members to be both owners and suppliers of the cooperative. The cooperative therefore shares a community of interest with its members. This is reassuring for the producers given today’s highly uncertain context and the looming shadow of the end of milk quotas. We observed that the farmers appreciated being able to take part in the cooperative’s strategic decision-making (this is the case of Vercors Lait, the Miribel cooperative and the Entremonts cooperative), or the reassurance provided by a large-scale cooperative group offering guaranteed pick-ups (case of Sodiaal). However, the relationship between the members and their cooperative is not just based on economic factors: some producers interviewed underlined the importance of dialogue, whether for technical or social reasons. Indeed, social dialogue in the cooperative sector seems to generate trust and helps to build member loyalty (Barraud-Didier et al., 2012). The community of interest between the cooperatives and their members can encourage the farmers to become actively involved in the working and future of their cooperative, as illustrated in the case of Vercors Lait. Regarding the cooperatives with direct management, spatial proximity also seems to encourage a shared vision of production and its links with the local area, in terms of practices, promoting of local resources (case of the Bleu du Vercors-Sassenage cheese), but also image (Angeon et al., 2006). Local stakeholders can also play a facilitating role in this respect. This is the case of the project to recreate and promote the value of local identity through the Bleu du Vercors-Sassenage AOC label supported by the association of municipalities and the regional natural park.

The fact that cooperatives are bound to their local area (notably when the cooperative is based on direct management as is the case of Vercors Lait, which is firmly rooted in its native land and fully committed to enhancing the value of a local product), as well as the close relationship they have with their members, are drivers of a long-term approach. It seems to allow them to establish a “balance between the short-term cycle of global competition and the long-term vision of the local areas” (Zimmermann, 2005), which is something the agricultural sector and local development especially need. The reciprocal commitment between the dairy cooperatives and their members thus appears to support the maintenance of farming activity in the local area. According to Filippi et al. (2008), “by importing additional added value to their native regions these groups contribute to the economic development of their members, but also to the development of their local areas.” In the dairy areas studied, this can notably be seen in their economic vitality, their ability to capitalise on the values of their local resources and local identity, as well as their maintenance of the local environment. And we have seen that, in return, this triggers the involvement of the local authorities. This is the case in the Vercors Lait rescue operation and the support given to the Bleu du Vercors-Sassenage AOC label or the Entremonts cooperative development projects.
... but weak points and limits too

Our case studies led us to identify weak points and limits in the role played by the cooperatives. Indeed, although the members share the profits, they also share the risks linked to management choices and strategies as well as those stemming from changes to the economic climate, public policies, competition and agricultural and non-agricultural demographics (passing on of dairy farms and access to land).

A dairy cooperative cannot be relocated and must collect milk from its members. It is therefore essential that there be enough milk to collect. For Vercors Lait, the drop in volume over the last few years may well place the cooperative before a critical threshold. Below this threshold, it may no longer be profitable to maintain the dairy factory. With respect to the Entremonts cooperative, the decrease in number of farms has made it more dependent on large scale farms. Being able to share production between many farms and having a diverse customer portfolio are big challenges for these cooperatives whose geographic operating area is limited. Cooperatives operating on large spatial scales have other advantages to fall back on. Sodiaal, for example, benefits from the complementarity between production areas and between producers. However, as underlined by a Sodiaal manager, “the more milk is produced the more is required.” This remark reflects the requirement for a certain milk production density, without which the dairy area might in the long term lose its Milk Recording Board and veterinary surgeon, while the collection cost would be too high owing to the sparse scattering of farms and small volumes of milk.

Furthermore, the producers respond in different ways to the cooperatives’ incentives. For example, some farmers refuse the idea of making production less seasonal, either because they cannot or do not want to. They argue that the bonus is not big enough or that the work organization required is unsuitable for them\textsuperscript{19}. The cooperatives’ incentives and obligations applied to their producers can lead to disagreements and, in some cases, to producers leaving the cooperative and hence weakening the structure, especially if the cooperative is small. For instance, Vercors Lait and the Miribel cooperative experienced periods when members left owing to disagreements: one with respect to production modes and the other regarding the cooperative’s strategies. In both cases, the members were attracted to another cooperative with better milk value creation (Sodiaal in the Quatre-Montagnes, and the Entremonts cooperative in the Cœur de Chartreuse). Competition can thus be seen to emerge between the cooperatives in times of crises.

Our cases studies also revealed the role of local authorities in “local” cooperative developments. For example, when Vercors Lait wanted to modernize its dairy factory in the 1970s, it was met with opposition from the local authorities who did not want to see the type of complex planned being built next to the village as it was seen to be incompatible with the area’s tourism development. Conversely, at a different time entailing different priorities, when Vercors Lait was on the verge of bankruptcy in 2007, the association of municipalities supported the cooperative by buying the building and the regional natural park by buying the truck. In the Chartreuse, the authorities did not support the producers of the Miribel cooperative, which switched from direct management to a sales cooperative. On the other hand, the Entremonts cooperative has been supported by local authorities. But the methanisation unit set up with the help of the association of municipalities has never worked. This suggests that some public
financing opportunities can encourage cooperatives to rush into projects before they are ready for them.

Conclusion and prospects

This article sheds light on the way dairy cooperatives help to maintain dairy production in mountain areas. The cooperatives studied provide milk producers with security and help them to maintain their production. The community of interest shared by the cooperatives and their members and the coordination between the cooperatives are essential factors. Nevertheless, the cases studied presented weak points and tensions. The question is will these become critical? Indeed, the farmers may decide to stop producing milk, or even to abandon agriculture altogether. They may do this for economic reasons or because they refuse to be bound to a daily milking schedule or because of land pressure that prevent them from expanding the surface areas or buildings they use. Can the type of cooperative put a stop to the drop in number of dairy farms? Today, the challenges facing dairy cooperatives concern how to maintain activity in mountain dairy areas and how to help young people take over farms while maintaining their competitiveness and that of their members. These challenges are complex given the current reconfiguring of the dairy production landscape in mountain areas, whose importance also needs to be considered.

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NOTES

1. In agriculture, cooperatives are federated at different levels: on a sector basis, i.e. at the equivalent of county, regional and national level (e.g. for milk, the FDCL is the county federation, the FRCL is the regional federation and the FNCL is the national federation of dairy cooperatives), and on an inter-sector basis (Coop de France).

2. Cooperatives based on indirect management have a dairy factory but set up a partnership with a cheesemaker who buys members’ milk, makes cheese on the premises of the cooperative and then sells it.

3. Sales cooperatives simply collect milk from farms and sell it.
4. Cooperatives based on direct management have a dairy processing factory and therefore make and sell products obtained from milk.


6. Indication Géographique Protégée (protected geographic indication): European quality label linking products to the area where they are produced.

7. Union Régionale laitière agricole coopérative: regional union of dairy cooperatives

8. Organisation Régionale laitière agricole coopérative: regional organisation of dairy cooperatives

9. This agreement allows Vercors Lait to sell off its excess milk at acceptable prices. Since the agreement was introduced, Vercors Lait has increased the proportion of processed milk, which has gone up from roughly 40% (i.e. 2.3 /5.4 million litres) in 2009 to 80% in 2013 (i.e. 3.3/4.2 million litres)

10. Before setting up this agreement (2003-2007 period), Vercors Lait sold its excess milk to the “spot” market where the price depended on supply and demand and there was no guarantee.

11. According to this farmer, cost-related problems (collection, “imports” of milk from the valley in order to work the Quatre-Montagnes dairy), as well as the producers’ wish to create a cheese dairy locally and a shop to sell their AOC label product, caused Lactalis to pull out of the cooperative and sell the building to Vercors Lait.

12. Via their spokesperson, i.e. the FDCL, or directly for Sodiaal

13. Butyric microorganisms are omnipresent in the earth and are responsible for unwanted fermentation and crumbling of pressed cheese made with high scald. These bacteria thrive in silage and bale wrapping and can make their way into the milk. The bonus aims to encourage farmers to take care with their bale wrapping and hygiene during milking to prevent butyric bacteria from getting into the milk.

14. A and B dual volume system with different prices: volume A represents the largest share of the farmer’s production and its price is guaranteed by the cooperative, volume B is paid according to the international “butter-powder milk” price, which may fluctuate. The share of volume A is gradually being decreased in anticipation of the end of quotas.

15. This is literally the “cheeseability” of milk, i.e. its ability to be transformed into cheese. It depends on its composition (proteins, fats), its hygienic qualities and its ability to coagulate.

16. The “Route du Lait” encompasses the quality of milk (composition, bacteriological quality, hygiene guarantees, etc.), the maintenance of the dairy surroundings, the wellbeing of the animals, safety, respect for the environment, etc. The “Route du Lait” aims to build the group’s sustainable development approach and can lead to farm certification.

17. Mountain area dairy farms are often based on pasture systems that help to maintain the alpine meadows (grazing and mowing), preventing them from becoming overgrown.

18. Farmers with a dual activity, i.e. who have a winter sports job (e.g. as a ski instructor), cannot perform calving during this period, preferring to organize this activity towards the end of the summer or in the autumn. The cows’ milk is thus allowed to dry off in the summer allowing the animals to go up into the alpine meadows.
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AUTHORS

FRANÇOISE ALAVOINE-MORNAS
francoise.alavoine-mornas@irstea.fr

SOPHIE MADELRIEUX