

The Roots of “Pooling”

By Dr. Warren Gill & Mark Powell

“Pooling” agricultural products produced by a number

of producers to facilitate marketing have an interesting history in Tennessee. In the post-Civil War years a buyer used to come to Goodlettsville, a small town 20 minutes north of Nashville in middle Tennessee, every year to purchase lambs. He was a popular gentleman who paid \$2.00 per head for lambs weighing



under 80 pounds and \$3.00 for those that weighed over 80 pounds. The weighing was done by the “eyeball” method because no one owned scales. There was never an issue using the eyeball method because the gentleman was generous with his weight estimates. However, one year the gentleman became ill and sent his son to do the buying. The son was not generous in his weights, which upset a number of farmers. The farmers decided that they would never allow themselves to be at the mercy of an individual buyer again. To avoid this problem they founded the Goodlettsville Lamb Club in 1877. The primary purpose of the club was to allow the farmers to “pool” their lambs into a single marketing unit and to collectively bargain for the best prices available.

Evidently the concept worked, and by 1891, they were marketing both lamb and wool by this method. They changed their name in that same year to, The Goodlettsville Lamb and Wool Club. This is the earliest known example of the “pooled marketing” concept which has come to be a common method for selling numerous commodities.

By 1918, the Nashville Stockyard had opened, which provided an excellent market for the lambs. However, this left the pool concept as the best way to market the wool. This led to the initiation of a state-wide wool pooling effort, with numerous locations, beginning in 1918.

The state-wide effort was coordinated by representation from the University of Tennessee, the State Department of Agriculture and the Tennessee Sheep Producers Association. By 1990, this was the oldest wool pool in the United States.

Many Tennessee sheep and wool producers marketed their products through the Goodlettsville Lamb and Pool Club and learned the value of using a cooperative to market their products. When the Goodlettsville group decided they could no longer manage the cooperative pool, the Wilson County Farm Bureau in Lebanon, TN assumed responsibility for the pool. University of Tennessee Extension specialists Paul Hite, Fred Powell, Jim Neel and Warren Gill were instrumental in maintaining the pool. In the early 1970's the Wilson County Farm Bureau asked the Tennessee Sheep Producers Association to assume responsibility for the pool. TSPA has continued to manage the wool pool with the help of a host of volunteers.

The Tennessee Wool Pool continues today with the same volunteer spirit as the early pools. Wool buyers are generally contacted in May and asked to bid on the upcoming wool pool. The buyers send in their bids by a certain date and the pool goes to the highest bidder. In June, producers bring their wool to one of two wool pools conveniently located in Columbia at the Maury

Farmers Co-op or in Maryville at the Ag Central Farmers Co-op. Each producer's wool is graded and weighed as it arrives and an invoice is generated for the producers wool with the weights and grades recorded. Since the price of the wool is determined in the prior month, the producer already knows the price he will receive before he arrives at the pool. After the wool is graded and weighed, volunteers take the wool and bale it in 400 pound wool packs using a hydraulic wool press owned by the TSPA. The wool packs are stored in the Co-op warehouse until the buyer sends a truck for pickup. This year the pool gathered 12,600 pounds of wool from sheep producers in Tennessee, Georgia, Alabama, and Kentucky. Producers received \$0.98/pound for their wool from black faced and white faced ewes. Over the past ten years, producers have received as much as \$1.25 per pound for their wool through the Tennessee Wool Pool. Much of the success and high price received for the wool is due to the wool being graded and baled into uniform wool packs weighing 300-350 pounds.

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2015 Tennessee Wool Pool

Attributes that separate Tennessee wool from other state's wool pools:

- Eliminating kemp (hair) from the wool clip. Hair or kemp is not accepted in the TN Wool Pool.
- Keeping dark wool separate from white wool
- Baling of the wool into uniformly packed wool packs
- Storing and transporting wool in approved wool sacks and not putting wool in poly mesh feed sacks

The wool pool is strictly a volunteer effort. When you bring your wool, stay until your wool is baled and then offer an hour of your time to help with the baling of other wool. It is not mandatory to stay and help, but we encourage producers who can to stay and help bale some of the wool.

2015 Wool Pool Prices

White Face.....	\$0.98
Black Face.....	\$0.98
Burry	\$0.83
Short (White*)	\$0.78
Black	\$0.19

**The Short/Lamb Wool Grade is short staple wool that is white. Lamb wool shorn from black face lambs needs to be bagged separate as it has a dark color and will receive the black wool grade and price.*

2016 Wool Pool Pick-up Sites are TBA

Producers from other states in the Southeast are encouraged to sell their wool in the TN Wool Pool.

A Wool Buyer's Perspective on Wool Pools

1. What is the current trend in wool prices, even specifically in the TN & KY areas? Staple Medium wool prices have been steady the past few years bringing in the \$0.70 to \$1.00 range for 28-32u (28 to 32 microns) types. These prices fluctuate depending on yield, grade and world markets trends such as world financial markets, consumer demand, supply, etc.
2. What are the benefits of wool pools for the commercial sheep producer? First, the convenience of not having to travel hundreds of miles to a warehouse or other buying location. Second, the grouping of similar wool allows for better pricing and makes a larger weight offer which normally attracts a better price (as long as the wool is bagged properly or classed correctly at the pool).
3. What are the major things that producers need to keep in mind when considering a wool pool? The producer needs to bag their wool properly before bringing it to the pool, and correctly identify their wool to the pool coordinator, so it gets included in the correct wool grade lines when it arrives.
4. Is a wool pool good for any sheep producer regardless of wool type, volume of wool and/or the location of the producer? All those factors depend on if the wool the producer has fits the norm of the wool in the pool. If the producer has a different type of wool like straight merino and the wool in the pool is all medium Blackface, then their wool probably wouldn't fit the pool. The producer needs to ask the pool coordinator questions to make sure their wool fits or has other grade lines for finer or coarser wool.
5. What are the major things producers need to do to get the best prices from a wool pool? Make sure they have the wool separated at the time of shearing into: fleece, lamb wool, bellies, tags, black, etc categories. If they put it all into one big pile it could lower the price of the pool.
6. What are you looking for when you grade wool? Grade, Length, %vm (vm=vegetable matter), Style & color, uniformity of grade, length, style, & color.
7. What additional things can producers do to get the most out of their wool? First, producers need to be knowledgeable about their wool and the market. Stay informed of the markets and what prices are around them for similar types of wool. Second, producers need to know their options for selling their wool. There are wool warehouses or trading companies, and cooperatives that have shearers or buyers all over the country that also bid on wool. Consider the prices offered from all the options and factor in the travel and expense of getting the wool to the selling location in order to determine the best price.

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