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VINALHAVEN LOBSTERMEN'S CO-OPERATIVE, 1938

*Edward M. "Ted" Holmes was born and brought up in Montclair, N.J., a suburb of New York City. After graduating from college with a degree in English, he spent many months seeking employment, and intermittently working as a salesman at Macy's department store, as a runner in Wall Street, as a seaman and stagehand on a floating theater, and, until he was fired, as a newspaper reporter.*

*At that time he looked upon President Franklin D. Roosevelt's New Deal with moderate approval but felt it was doing little to alter the roots of society's economic woes. The Communist Party (what there was of it) seemed hopelessly dogmatic, and the Socialists too weak. But members of the consumers co-operative movement were performing useful services, and at the same time were being practical and non-profit. He took a course in the organizing and managing of consumer co-operatives offered by the Co-operative League of the United States of America, and in 1938 worked temporarily at a consumers' co-operative store in Westchester County.*

Toward the end of July 1938, I received a letter from an official of the Co-operative League of the United States of America in New York City telling me that one Birger Magnusson, on the Island of Vinalhaven, Maine, had written them inquiring about the possibility of sending an organizer to the island to form a cooperative among fishermen. Having no professional organizers on tap, the official had written me at my summer-vacation address near Mt. Desert Island, suggesting that I drop in at Vinalhaven to find out what I could create with those fellows. He knew I had recently taken a course in managing consumer co-ops, that I had time at my disposal (I was unemployed), and that I was relatively near Vinalhaven (a great deal nearer by water than by land, but that did not matter).

I did not hesitate; I wrote Birger Magnuson, noting my time of arrival, and rode with my wife as far as Rockland. Here we temporarily parted, she to return to the job in a Brooklyn public library that was supporting both of us and I to board the small steamer that plowed Penobscot Bay, daily, to Vinalhaven.

Magnuson and I got along well at once and became long-term friends. A middle-aged widower, he had lost his only son overboard a year or two earlier. The youth suffered a sudden heart attack and a heavy swell tipped him off the stern of the boat. Magnuson dived overboard to save his son, but to no avail. Following this shock, he took his parents-in-law into his home — the man a fellow lobstercatcher (but one who rowed to his traps, having no powerboat), and the woman a provident housekeeper for all three of them.

Birger Magnuson put me up and treated me like a member of the family — perhaps better. First we had long talks about our lives and careers. He had read about the fishermen's cooperatives in Nova Scotia and wrote the League asking for an organizer. My experience, on the other hand, was with consumer co-ops, mostly retail grocery stores, and although I knew a few lobstercatchers, I really did not know the business well. We exchanged knowledge, opinions, hopes, even fantasies, sometimes quite far into the night. I think it helped Magnuson bear his loss.

Then the informal meetings began, shortly after supper-time in Magnuson's modest parlor. His house was close to a sheltered, tidal inlet; lobster boat, wharf, workshop, and domicile were nestled together, so that we were always close to the fishery. Usually there were six or seven fishermen present at the meetings; then the next night six or seven others would appear, with a few repeaters.

I learned to listen at great length, hearing repeatedly the stark history of the decline of the lobster industry in the years of the Great Depression, the fall of lobster prices to fifteen, even to twelve cents a pound, the dependence of local buyers on the Consolidated Lobster Company that apparently controlled

lobster prices from Eastport to Kittery. I heard about the fishermen's indebtedness to the local buyers and, at least by extension, to the Consolidated Lobster Company itself. I always listened, trying to appear as if I were hearing it at least for the second, if not the first time.

By means of telephone and a few signs in public areas, Magnuson announced a meeting of lobster fishermen in a local hall. It drew about twenty men, all of whom I had met at one time or another at Magnuson's home. Magnuson conducted the meeting, and after lengthy and vigorous discussion the group agreed to form, as a starter, a lobster fishermen's cooperative buying club. They would order, direct from wholesalers, such items as ganging (twine for knitting trap heads), lobster warp (five-sixteenths inch rope — many fathoms of it), laths, paint, and other materials, then distribute them among themselves at cost plus a small charge to cover shipping expenses.

Back at Magnuson's home, which had become my office, I drew up a fairly simple constitution and bylaws, calling for one-member, one-vote procedures and regular election of the customary officers. A small membership fee would supply capital; each fee would be returnable, but subject to a few safeguards referring to time and cash available. The net gain, if any, would be used as an "educational fund" (read public relations and promotion). A few days later the document was approved by vote, and I, not wanting to impose on the Magnuson household any further, took off for Greater New York.

Within two or three weeks came another letter to me from the Co-operative League, saying that the Vinalhaven lobstermen wanted someone to incorporate them for cooperative marketing as well as buying, and asking me to go back and help. It even included a check for \$100 to pay my expenses.

Off I went, hitch-hiking (we had no car by then) east on Route 1. The last driver on my journey was a lawyer who asked me questions about my destination. I answered willingly and in detail, and when he let me out in Rockland, a little before midnight, he opened his briefcase and gave me a printed legal form for drawing up incorporation papers. He uttered not a

word about practicing law without being a member of the Bar, although years later lawyer friends of mine mentioned that point. I thanked him most sincerely and, shouldering my knapsack, turned toward the waterfront, only to be apprehended by one of those fellows wearing a blue suit and a visored cap.

“Where you going, Bud?”

“Vinalhaven.”

“You can’t go there tonight.”

“I know. But I can get aboard that little steamer and sleep on deck next to the funnel. It’s cozy warm there.”

“No. You’re going to come with me,” he said, and calmly taking my arm, walked me off to the Rockland jail where I was supplied with a bunk in a cell. “What time do you want to be off in the morning?”

“Five o’clock,” I said.

“You’ll be called,” he told me. And he was right.

Back on the island, I was greeted happily by my fishermen friends, and after long, uninformed talks about what to do next, I returned to the mainland and to the Knox County Courthouse, where I was permitted to read corporation charters and take notes. I focused on a legal document founding a farmers’ cooperative, and, with pages of handwritten legalese in my possession, returned to Vinalhaven, to Birger Magnuson’s parlor, and to my typewriter. (Yes, I had lugged a portable typewriter with me.)

I drew up many paragraphs suited to the legal form that kind and generous Rockland lawyer had given me, and at a meeting with the score or more interested lobstercatchers I attained agreement on certain principles and even on details. The meeting determined several issues: 1) the one-member, one-vote principle would be retained; 2) stock would have a par value of ten dollars; 3) the cooperative would buy and market lobsters for members only; 4) any licensed lobstercatcher would be eligible for membership; 5) the stock would yield, when it could, a modest dividend (in practice, no more than the interest on a note); 6) the co-op would buy lobsters and sell gear at

going market prices; 7) any net gain from the sale of lobsters would be distributed periodically to the members in exact proportion to the dollar-amount each had sold to the cooperative; 8) any net gain from the sale of equipment to members would be distributed to those members in exact proportion to the amount of their purchases; and 9) any net gain from the sale of equipment to non-members would revert to an educational or reserve fund.

The document was ratified, signed, notarized — whatever — and sent off to the attorney general of the state, who, or perhaps whose assistant, made two minor corrections and accepted the thing as a legal reality.

At that meeting only one member of the initial organizing group voted against the document and demanded return of the fee he paid to the buying club. The treasurer promptly produced ten dollars and fifty cents. The withdrawing member, who sounded none too rational (he seemed full of ethanol), protested the fifty cents, insisting it was not owed to him. The treasurer explained that it was, since the value of his share in the organization had grown by that amount in the past weeks. Confused, shaking his head, the man left the hall with the ten-fifty, looking a bit embarrassed. He had supplied an excellent bit of local publicity for the co-op.

By this time rumors were all over town: “Yeah, you fellows sign up with that man if you want, but three weeks from now your bunch will get a bill for \$600. See if you don’t!” “What does that man get out of this anyhow? I wouldn’t trust him for a minute. You ever seen him handle a deck of cards?” (I had sat in on a few rounds of poker.) On Main Street, some of the youngsters were calling me “Dynamite,” and the local lobster dealers had lowered prices on gear. Some of them were even selling flour (of all things!) at a cut rate.

So the Vinalhaven Lobstermen’s Co-operative was launched; it acquired a wharf, a lobster car, and a shed, relying on volunteer members at first to run the place. The organization entered the risky business of marketing that gourmet product, live lobster.

At this point in the narrative, I disappeared from the scene, going off to manage a health co-op in Maryland. I returned to Maine later, with help from a branch of the co-op movement, and tried to organize other fishermen's cooperatives on the Maine coast, but without success.

The Vinalhaven Lobstermen's Co-operative lasted several years and then went out of business. Precisely why, I do not know, although I suspect its closing was the result of inadequate management at the level of the board of directors. What is interesting, though, is the effect its existence had on other coastal communities — at least I believe it was the co-op's effect. Rumor works persuasively, even if not accurately, and much better than an uninvited organizer, or perhaps even an invited one. Word drifted from fisherman to fisherman; the idea of organizing and working together spread, and within a few years there was a lobstercatchers' cooperative at the island town of Stonington, about twenty miles northeast of Vinalhaven; then, one at Swans Island. Before long there were others, at Jonesport, at Winter Harbor, at Owl's Head, at Boothbay Harbor, and at least some of them have matured into stable organizations since then. Indeed, I heard recently that there is again a lobsterfishermen's cooperative at Vinalhaven.

Long may they, and their cooperative notions, endure.

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