

Chapter 3: Proprietary Creameries in Ireland

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Introduction

While Irish creameries today are popularly associated with co-operative ownership, in fact over the first forty years of the development of the creamery system in Ireland, the majority of creameries were in private ownership. These so-called “proprietary” creameries are the main focus of this chapter, which is structured as follows. Initially, the traditional method of making butter on farms is described briefly and compared with the new creamery technology. This is followed by a general account of the spread of the creamery system in Ireland. The chapter then provides a profile of the proprietary creamery sector, focusing firstly on some of the individual entrepreneurs who played key roles in the development of the sector and then on the corporate groupings (both Irish and British owned) which came to dominate the sector. The chapter concludes with an account of major legislative and organisational changes instigated by the Irish Free State Government in the 1920s which eliminated the proprietary sector from the Irish creamery industry, thereby leaving it almost completely cooperatively-owned.

Genesis of the creamery system

In the mid-19th century, the first steps towards centralising milk processing began to emerge in Europe. In 1852, the Royal Agricultural Society of Denmark produced a plan for improving the quality of Danish butter which involved collecting the milk from several farms at a central processing factory owned by the farmers (Faber, 1931). However, this was not successful because the extra handling to which the milk was subjected damaged its creaming properties and the yield of butter was reduced. An alternative was to convey cream produced on farms (via gravity separation) to a central unit where it could be churned into butter using larger-scale equipment under the supervision of a trained buttermaker. This facilitated the production of a higher-quality and more uniform product in higher volumes. According to Lyons (1959), the first facility of this kind (which became known as “gathered cream” creameries) was established in Germany in 1862. Such facilities subsequently be-

came common in the USA, Canada, Australia and New Zealand. In addition to improving and standardising the quality of butter, the delivery of cream, rather than milk, to a creamery reduced transport costs and left the skimmed milk on the farm for home consumption or feeding calves or pigs. Probably mainly for these reasons, the practice survived in some areas well into the 20th Century. Some early creameries in Ireland accepted either cream or milk from farmers but gathered cream was never widely used in Ireland.

Much attention was devoted to the development of a mechanical process for separating cream from milk during the 1860s and 1870s, culminating in the patenting by Sweden's Gustav de Laval of his centrifugal separator in 1878. This, as the name suggests, used centrifugal force within a revolving vessel to separate the lighter cream component of milk from the other components; the cream gathered in the centre, from where it was siphoned off. While a hand-operated separator (**fig. 3.1**) was made available and was widely used, especially outside the commercial dairying regions, it was the power-driven version (initially powered by steam and later by oil engines or electricity) which was to have the main impact on the dairy processing industry.

Laval's original mechanical separator was designed for large-scale industrial use and, to be viable, needed to process the milk from at least four to five hundred cows, depending on average milk yields (Jesness, 1923). In Ireland's main dairying regions in the late 19th century this would have required a minimum number of dairy farmers of around fifty, more in other areas.. The large volumes of cream produced by centralised separators in turn required the mechanisation of butter-churning, an innovation which quickly followed on the heels of the separator and basically involved a large revolving drum (this imitated, on a much larger scale, one of the more common types of hand-operated churns used in traditional buttermaking). While there were some plants in Ireland and elsewhere which employed multiple hand-operated separators and/or churns, for the purposes of this chapter we define a "creamery" as an industrial establishment in which the separating and/or churning process was power-driven.

Fig 3.1. Hand powered centrifugal separator, generally called a mechanical separator. At the heart of the mechanical separator is a centrifuge. Spinning the centrifuge separates the less dense cream from the remainder of the milk. Originally patented by Gustav de Laval in 1878, this example is a hand powered Alpha-Laval variant for domestic use. The mechanical separator paved the way for the large scale mechanical production of butter and the creamery system. Photo Roland Paschhoff



The main incentives for farmers to supply creameries rather than make their own butter were threefold (Fay, 1925). Firstly, not only was mechanised butter production much quicker but it also supplanted what was an arduous process of traditional buttermaking. Secondly, the mechanical separator was much more efficient for removing cream from raw milk (it typically removed 20% more cream per gallon of raw milk than the traditional gravity and skimming method). This, in effect, meant more butter per gallon of milk and therefore a better price for the farmer (although this was partially offset by the lower nutritional quality of the skim milk left over following separation, which was returned to the supplying farmers for home or animal consumption). Thirdly, centralised butter production under more hygienic conditions normally produced a higher-quality and more uniform product which enhanced its marketability.

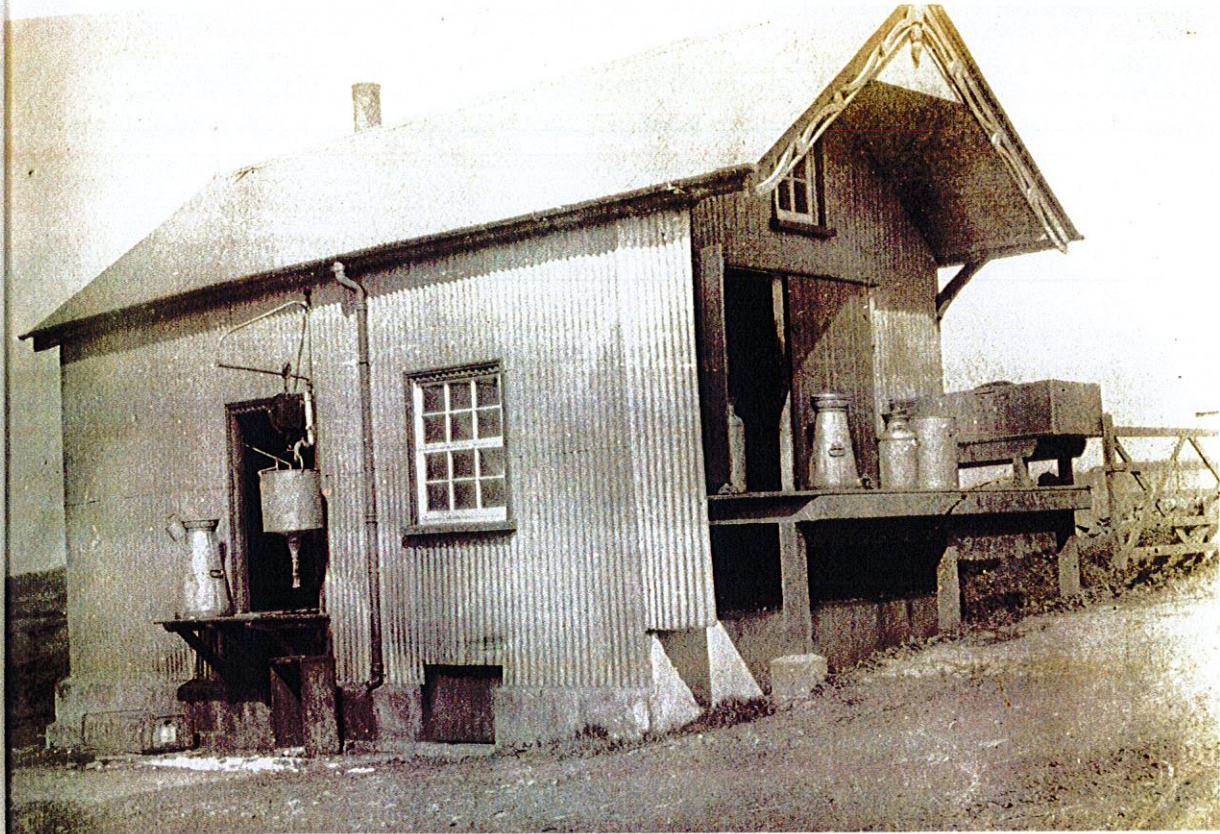
The typical maximum range over which whole milk could be transported to creameries using late 19th century transportation methods (i.e., horse/donkey and cart) was around 3-5 miles (depending on terrain and road quality), as agitation during movement damaged milk quality. In districts (outside the core dairying regions where milch cow density was high) where a wider range was required to assemble a sufficient quantity of milk to support creamery production, an intermediate processing stage was introduced in outlying areas whereby cream was separated from locally-supplied milk and then transported to central creameries for churning into butter. The terms “auxiliary” creameries and “separating stations” were applied to such units. Where these were owned directly by the central unit they were termed “part and parcel” auxiliaries. Sometimes, auxiliary creameries (fig. 3.2) were owned separately and sold the cream produced to a nearby central, in which case they were termed “independent” auxiliaries.

Development of Creameries in Ireland

In Ireland, on the eve of the introduction of the creamery system in the 1880s, commercial dairying was concentrated in the Munster region (extending into Kilkenny and parts of Wexford), with a core area located in the “Golden Vale” of East Limerick, West Tipperary and Northeast Cork. Here, where dairying was intermixed with beef rearing, milk

Fig. 3.2. Small auxiliary creamery, also called a separating station, location unknown; cream was separated from the milk at these premises before being sent off to the central creamery to be made into butter. The reception platform for the milk is at the front and the funnel for returning the now skimmed milk to the farmer is at the side. Image courtesy of John Doody

yields were the highest and dairy herds the largest (typically around ten to twelve cows on commercial dairying farms) in Ireland. Butter was produced primarily for export to Britain, mainly through the port of Cork whose celebrated Butter Market was the largest in the world (Donnelly, 1971). There was a second zone of commercial dairying in the northern



part of the island, stretching from Sligo and North Roscommon northeastwards to East Derry and North Antrim. Dairying here was on a smaller scale than in the south, as part of a small-farm mixed farming economy with typical dairy “herds” normally not exceeding three to four cows¹.

1. In the remainder of this chapter, the latter region is referred to as the “Northern Dairying Region” while that in the south, embracing Munster and South Leinster, is referred to as the “Southern Dairying Region”.

Ireland's long-established dairying industry was rather conservative in orientation, but came under increasing pressure to innovate as it found its position in the British market being undermined from the 1870s by emerging competitors from continental Europe (especially Denmark) using new and more efficient organisational, production and processing methods (Kennedy, 1977). Laval's new centrifugal separator was demonstrated at a special Industrial Dairy Show organised by the Royal Dublin Society in autumn 1879 (Jenkins, 1997) and, according to Blount (1892), this device was first installed in Ireland the following year by Dr. Thomas Nulty (Catholic Bishop of Meath) at a convent in Navan. It seems likely that this was a hand-operated separator. In fact, steam-powered churning of cream supplied by farmers was introduced to Ireland prior to its separating counterpart, with such units being installed in Dungannon (Co. Tyrone) in 1880 and on the estate of Lord Middleton in Co. Cork in 1881 (Bolger, 1977).

It appears that the first creamery to use a steam-powered separator was established in Hospital, Co. Limerick, in 1884 by a group of farmers prompted by Canon Richard Bagot (Church of Ireland Rector at Fontstown, Co. Kildare), an enthusiastic advocate of agricultural innovation (O'Sullivan, 2009). This operation separated whole milk and also churned cream furnished by suppliers. Similar creameries were established at Canon Bagot's instigation at Galbally (Co. Limerick) in 1885 and Golden (Co. Tipperary) in 1886. However, the practice of churning "gathered cream" was discontinued at a very early stage in the development of Ireland's creamery system.

The diffusion of the creamery system in Ireland followed the common pattern of innovation diffusion in general, with adoption of the innovation being quite gradual in the initial years, followed by a rapid surge in creamery establishment as the innovation proved its worth, followed in turn by a slow-down in the rate of adoption once most locations of viable operation were catered for (Rogers and Shoemaker, 1971). A particular impediment to the early spread of creameries in Ireland was opposition to their establishment by existing vested interests which were impacted negatively by the development of creameries (Bolger, 1977). These included the long-established and highly organised system of butter merchants who orchestrated the flow of butter from individual farms to export markets (Donnelly, 1971), and the large number of coopers who manufactured firkins, the butter barrels which were not required by creameries. This opposition included the spreading of misinformation about the creameries, such as the suggestion that they used chemicals in

the milk separation process which rendered the skim milk poisonous to the animals (calves and pigs) to which it was routinely fed. However, many butter merchants, recognising the inevitability of the rise to dominance of the creamery system, decided that it was better to join it rather than trying to beat it, and themselves became involved in the establishment of creameries.

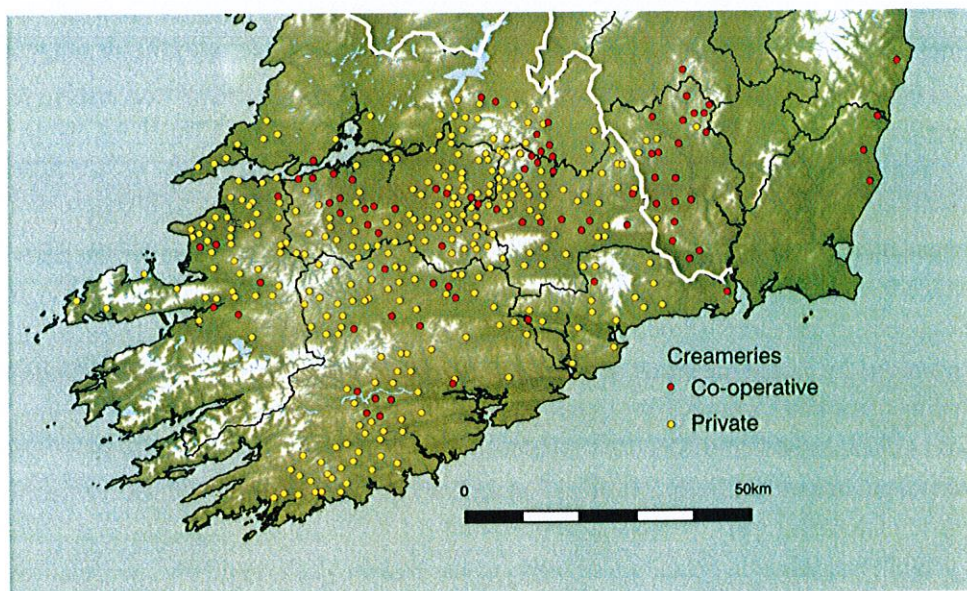
By 1888, the number of creameries in operation had reached only twenty eight (compared with one thousand in Denmark), this figure rising to eighty five in 1890 (all of them located in counties Limerick, Tipperary and Cork)². Over the following four years, the creamery system diffused into Clare, Waterford, Carlow, Kilkenny and Wexford. In 1894, the first known creameries in the Northern Dairying Region appeared at Belturbet (Co. Cavan) and Collooney (Co. Sligo). At the end of that year, the population of functioning creameries (including auxiliaries) reached 198. By 1900, this had increased dramatically to six hundred and nineteen, of which one hundred and nineteen (29%) were located in the Northern region.

The rapid growth in creamery numbers in the late 1880s and through the 1890s accelerated the decline of Cork Butter Market, whose position had already been seriously undermined by the spread throughout Munster in the early 1880s of so-called butter “factories” which blended farm-produced butter (Donnelly, 1971). Thus, the Butter Market’s throughput of butter fell sharply, from 435,000 firkins in 1877-78 to 170,000 firkins in 1891. The creameries by-passed the Butter Market and forged links directly with British wholesalers and retailers. Indeed, as will be described below, many of the latter themselves set up networks of creameries in Ireland. The continued growth of the creamery system after 1900 went hand-in-hand with the corresponding decline of the Butter Market which eventually closed its doors in 1924.

While creameries in Ireland are strongly associated in the public mind with co-operatives, and while Ireland from an early stage had forged an international reputation as a pioneer in the promotion of dairy co-operatives, in fact most creameries established up to 1900 were in private ownership, which accounted for 65% of all creameries in operation in that year. By then, private

2. The data on the spread of creameries in Ireland presented in the following paragraphs are derived from a creamery database compiled by Proinsias Breathnach from a wide range of sources including, principally, the Annual Reports of the Irish Agricultural Organisation Society, the Annual Yearbook & Diary of the Irish Creamery Managers Association, the Ordnance Survey and a number of contemporary commercial directories. Much of the information on individual creameries elsewhere in the chapter is also derived from this source.

creameries, which had dominated the early years of creamery development in Denmark, had seen their share of the total creamery population shrinking to just one fifth (Pedersen, 1977; Wolff, 1914). Privately-owned creameries in Ireland were generally known as “proprietary” creameries, even though, strictly speaking, this term should apply only to creameries owned by a single individual. The first co-operative creamery was established in 1889 at Dromcollogher (Co. Limerick); more than a year passed before a second co-operative was set up; by then, there were eight proprietary entities in operation. Indeed, the Dromcollogher co-operative lasted only two years before being converted to proprietary ownership. The co-operative sector was particularly weak in the Southern Dairying Region, where it accounted for only 19% of the four hundred and forty two creameries operating in 1900.



Breathnach (2012) has argued that Irish dairy farmers were “reluctant co-operators” who were quite happy to supply proprietary creameries, and were moved to establish co-operatives only where a proprietary alternative was not available or where they were dissatisfied with the milk price and/or service provided by local proprietary operators. **Fig. 3.3**

Fig. 3.3. Distribution of private and co-operative creameries in the southern dairy region in 1900. The dominance of the private creameries is apparent.
Source: Breathnach (2012)

shows how few co-operative creameries were located in the densely-populated Golden Vale region of East Limerick/West Tipperary in 1900. Co-operatives were also thin on the ground in Waterford/East Cork/Southwest Tipperary, East Tipperary, Northwest and Southwest Cork and in Co. Kerry (where almost 90% of the fifty nine creameries established between 1895-1900 were in proprietary ownership). The main concentrations of co-operatives were in Kilkenny, West Limerick and Mid-Tipperary.

In the Northern Dairying Region, things were quite different. Here, over 70% of the one hundred and seventy seven creameries established between 1894-1900 were co-operatively owned. While this may reflect a greater orientation towards co-operation in this part of the island, a more likely explanation was that dairy farmers in the region had no alternative in most areas due to the absence of private investment in creameries arising, presumably, from lower profit expectations in a region where cow density and milk yield were lower and small herd sizes would have meant having to recruit much larger numbers of farmers for viable creamery operation.

After 1900, the balance in creamery numbers shifted towards the co-operative sector, due in large part to a fall-off in the rate of formation of new proprietary creameries, indicating that the market for profitable investment in the sector was reaching saturation. In the period 1901-05, the number of new co-operatives in the South, at thirty eight, exceeded that for proprietary creameries (twenty nine); in the previous five years, one hundred new proprietary creameries had been set up in the South. Meanwhile in the North, the established domination of co-operatives was further enhanced, with seventy seven new units coming into operation compared with just four proprietary entities.

The total number of creameries in Ireland reached its peak, at seven hundred and seven, in 1906. Two thirds of these were located in the Southern Dairying Region, where proprietary creameries still accounted for 70% compared with just 18 % in the North. After 1906, the establishment of new proprietary creameries slowed to a trickle, while the formation of new co-operatives continued at a steady pace. In addition, proprietary creameries were much more likely to close down than co-operatives (being less tolerant of difficult economic conditions). Proprietary closures frequently occurred in marginal (i.e., less profitable) locations and in many cases they were replaced by co-operatives (usually by direct takeover), further corroborating the contention that co-operative formation was strongly influenced by the lack of a local proprietary alternative. There were also some cases of co-operatives

being converted to proprietary ownership, but these were much rarer.

A further factor in the gradual switch towards co-operative creameries after 1900 was the impact of the Irish Agricultural Organisation Society (IAOS), set up in 1894 by Horace Plunkett, an ardent advocate of co-operatives, to promote the establishment of agricultural co-operatives. Over time, also, dairy farmers became more favourable to establishing co-operatives as they became an increasingly established element of the creamery landscape, and particularly because they were seen as being more stable entities which had a pro-farmer orientation (and increasingly paid a better price for milk). In addition, many co-operatives also engaged in the supply of agricultural inputs, frequently at competitive prices but, more importantly, via a system of taking payments from the monthly milk cheque which suited many farmers. In supplying agricultural inputs, co-operatives frequently drew the ire and opposition of influential local traders with whom they were in competition (Bolger, 1977). This opposition acted as a significant brake on the early development of the dairy co-operative movement in Ireland.

While the population of co-operative creameries in the Southern Dairying Region continued to grow after 1906, and that of proprietary creameries declined, it was not until 1919 that the former finally surpassed the latter. However, there were still extensive areas, including most of Co. Cork, where proprietary creameries remained very much in the ascendancy. Adding in the Northern Dairying Region (where over 90% of creameries were co-operatives), nationally just one third of creameries were proprietary in 1920.

Profile of the proprietary creamery sector

Joint stock creameries

Many early privately-owned creameries were what were called "joint stock" creameries, jointly owned by a number of investors, most (or all) of whom were usually substantial dairy farmers. Many of these were perceived as being co-operatives and, indeed, may have regarded themselves as such, even though they were not registered as co-operatives with the Registrar of Friendly Societies (RFS) and most of their suppliers were not stakeholders in the enterprise. Thus, a creamery located in Killenaule (Co. Tipperary), mapped as a joint stock creamery by Jenkins (2004), was listed as Knockavardagh and Moyglass Co-operative Creamery in both Guy's 1893 Munster Directory and the 1906 Annual Report of the Department of Agriculture and Technical Instruction (DATI), even though it did not register with

the RFS until 1915. Similarly, a creamery based at Ballyduff, near Thurles (Co. Tipperary) was listed as Centenary Co-operative Creamery in the DATI 1906 Annual Report but did not register as a co-operative with the RFS until 1916. As indicated by these examples, most farmer-owned joint stock creameries did eventually convert to co-operatives.

Individual proprietors

Most of the early surge in proprietary creameries is attributable to individual businessmen (usually merchants/traders) who, in many (if not most) cases, were already involved in the butter trade, purchasing farm-produced butter and moving it on to the ports for shipment abroad (Ó Gráda, 1977). While many of these were small-scale and short-lived ventures, some expanded into very substantial businesses while others remained in operation as modest local enterprises for many years. An important early pioneer in this respect was John Blount, an English businessman who in 1887 established a central creamery at Limerick Junction (near Tipperary Town) to which he subsequently attached seven auxiliary creameries in the surrounding area. Blount established two further central creameries at Ballynamona and Killeely in East Limerick. Blount was a creamery enthusiast who wrote a series of six articles in *Irish Farming World* in 1892 in which he described the establishment of creameries, the advantages of creameries over on-farm buttermaking and the requirements (in relation to site, water supply and effluent disposal) that should be met when establishing a creamery. In 1891 Blount attempted to establish an association of proprietary creameries, primarily to combat the problem of adulteration (i.e., adding water) of milk by creamery suppliers (O'Sullivan, 2009). Blount subsequently sold off his creameries to a British firm, Bevington and Classey, in 1895.

An important early figure in the establishment of proprietary creameries in Ireland was William Dwyer, a Clonmel-based wholesale and retail grocer. Dwyer established creameries at Clonmel (1886), Fethard, Co. Tipperary (1887) (**fig. 3.4**), Ballymacarbry, Co. Waterford (1889) - the latter an auxiliary of Clonmel - and Carrick-on-Suir (1900). He subsequently acquired a creamery in Killenaule (Co. Tipperary) which became an auxiliary of Fethard. In 1889 Dwyer entered the condensed milk business, setting up the Irish National Condensed Milk Company (INCMC) for this purpose. He established condenseries at Clonmel, Carrick-on-Suir and Fethard, as well as one in Limerick City (1892). By 1904, the INCMC was producing six hundred and seventy tons of condensed milk (and five thousand tons of margarine

Fig. 3.4. The chimney stack at the former creamery at Fethard, Co Tipperary. This creamery was established in 1887 by the early creamery entrepreneur William Dwyer. Image courtesy of Pat Looby.



at Clonmel) annually, along with fifty tons of butter per week during the season. The firm had warehouses in Belfast, Manchester, Birmingham

and Liverpool along with agencies in Dublin, several cities in England and Scotland, Canada, Malta and British Guiana. Peak-season employment was five hundred in Clonmel and two hundred in Limerick (O'Donnell, 2009). William Dwyer died suddenly in 1902 and in 1906 the INCMC was taken over by the Condensed Milk Company of Ireland (CMCI, see below) which closed the Limerick and Carrick-on-Suir operations (where CMCI already had its own plants) while, in Clonmel, CMCI closed its existing plant and consolidated production at the former INCMC site at Suir Island.

Another interesting early creamery proprietor was James Watts, whose father came to the Co. Waterford coastal village of Bonmahon to work in the coastguard service but who had become a substantial businessman and property owner in the area by the time of his death in 1875³. A serial entrepreneur, James Watts set up the firm Watts & Company which, *inter alia*, operated a grocery, drapery and hardware store, a bakery, a public house, a bacon factory and a butter merchant business. Building on the latter, Watts established a creamery in Bonmahon in the early 1890s to which four auxiliaries were added. When Watts died at the age of fifty seven in 1897, the business was carried on by his sons, Richard and William. The latter was mechanically adept, and developed a travelling creamery which served areas not within reach of the firm's existing network of creameries. Following the premature

3. The information in this paragraph is derived from the Watts family website (accessed February 11, 2013): <http://freepages.genealogy.rootsweb.ancestry.com/~davie/misc/Watts.html>.

deaths of both sons (in 1912 and 1919), the business went downhill and closed in the mid-1920s.

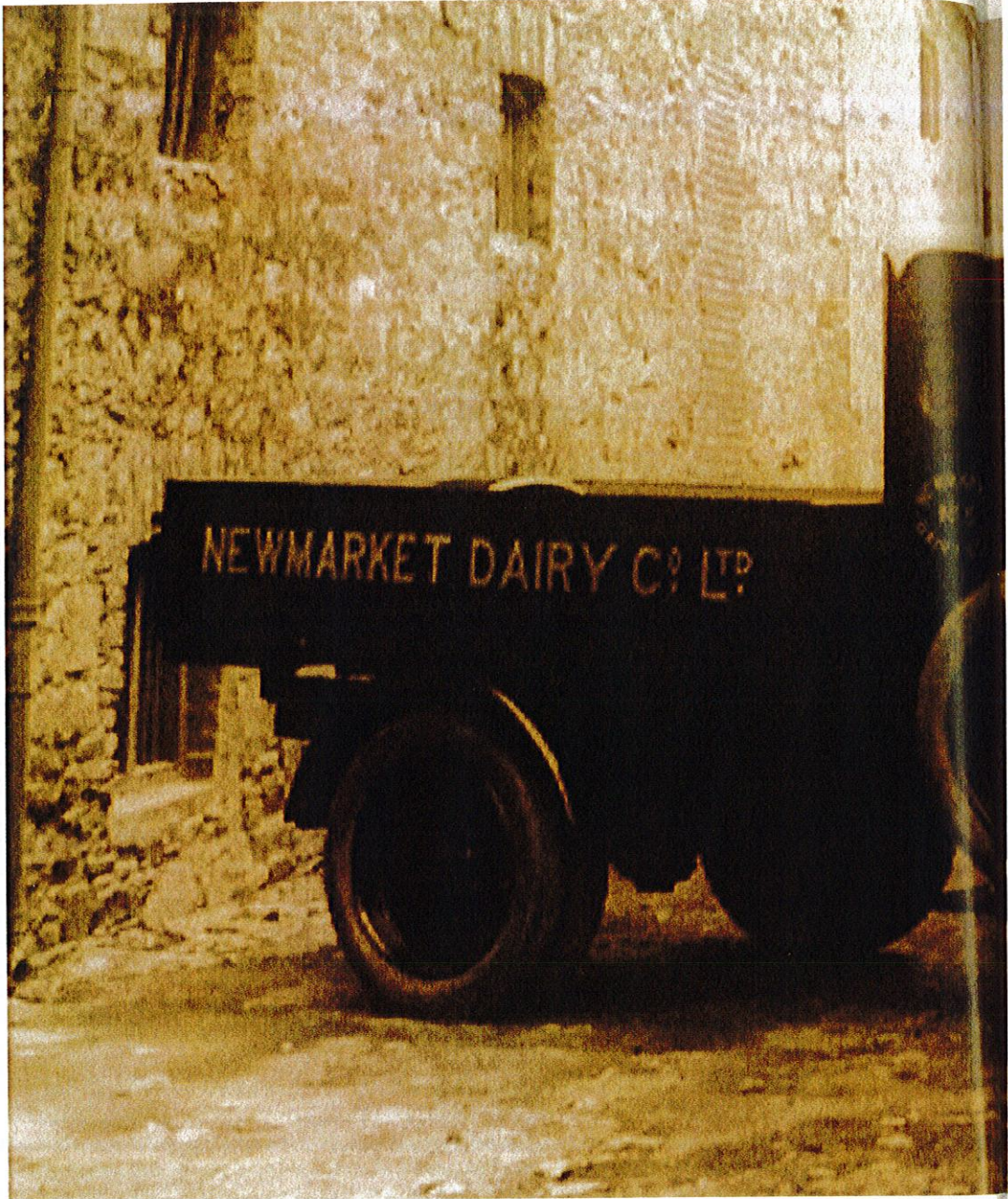
In Co. Cork, two significant figures in the early establishment of proprietary creameries were William Warner of Bantry and Thomas Hill of Clonakilty. Warner, a butter merchant, initially established a factory in Bantry which blended farmers' butter. This employed over 100 persons, one half of them coopers making firkins (Harrison, 1992). He then introduced hand-operated separators before moving into full creamery production, establishing further central creameries in Killarney and Enniskeane in West Cork (the latter served by two auxiliaries). Thomas Hill established a creamery at Clonakilty in the mid 1890s to which three auxiliaries were subsequently added. These continued to operate until 1929 when they were taken over by the Dairy Disposal Company (DDC, see below) and transferred to Lisavaid Co-operative. Hill's Clonakilty creamery was located a short distance from another proprietary creamery, O'Sullivan's, which predated Hill's and had one auxiliary. These also continued to operate until 1929, when they, also, were taken over by the DDC and closed as part of a rationalisation programme for the area. This indicates how resistant Southwest Cork remained to co-operative penetration until the co-operative system was essentially forced on the region by the activities of the DDC.

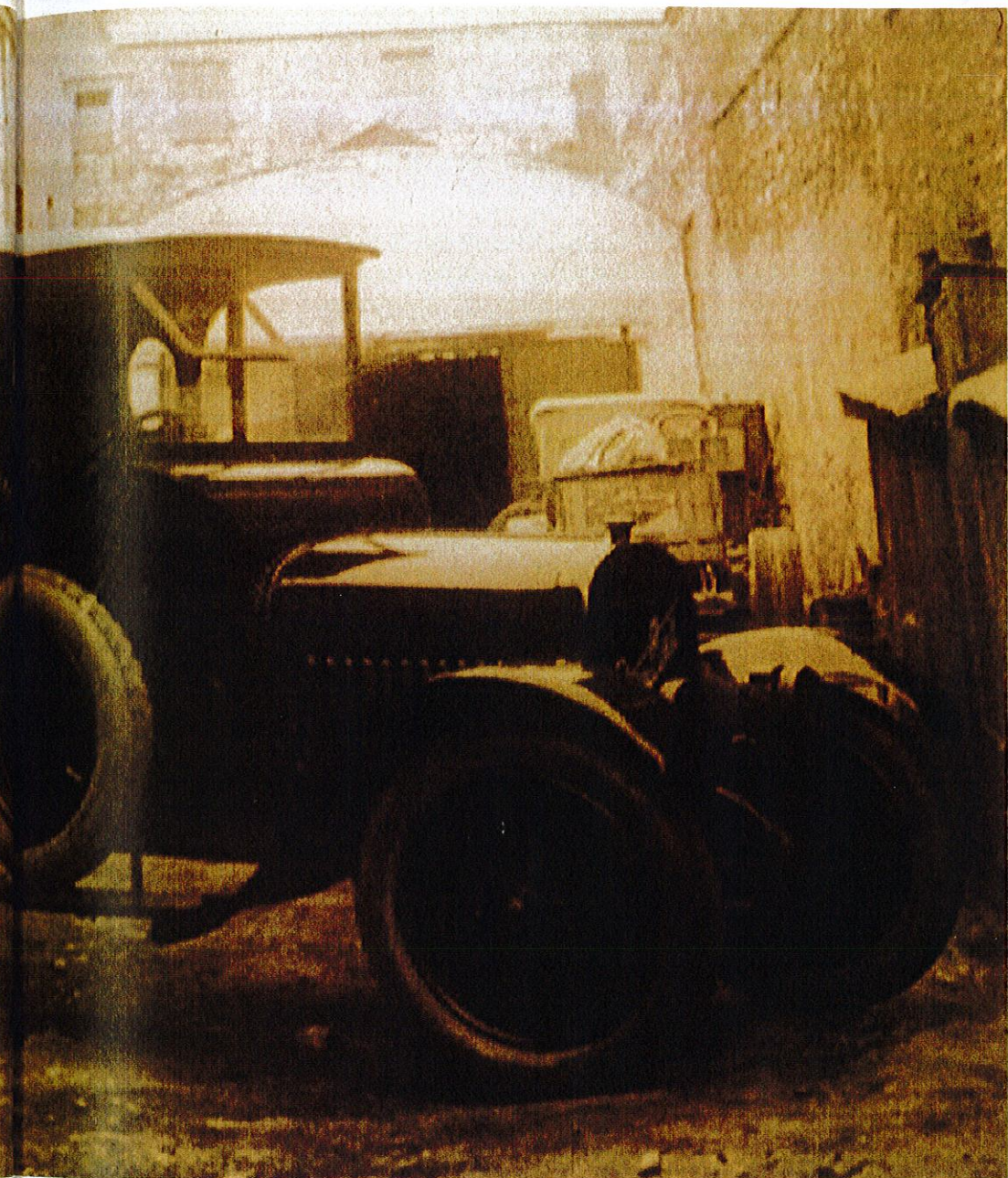
Another significant proprietary figure in Southwest Cork was William O'Regan, a farmer and shopkeeper who purchased Aghadown creamery (west of Skibbereen) from the Co-operative Wholesale Society (see below) in 1910, followed by the nearby Kilcoe creamery from the Cork & Kerry Creamery Company (below) in 1916 and opened a creamery at Skibbereen in 1920. These creameries subsequently passed to O'Regan's son Bernard, and were among the last proprietary creameries to be taken over by the Dairy Disposal Company (DDC, below), which event occurred in the 1940s. The Aghadown creamery, in turn, was one of the last DDC creameries to be transferred to co-operative ownership when it was taken over by Drinagh Co-operative in 1975.

Irish corporate creamery groups

The Newmarket Dairy Company

By far the most important proprietary creamery venture to emerge from Co. Cork was the Newmarket Dairy Company (NDC) (fig. 3.5). This firm originated as a creamery established in 1892 at Newmarket, Co. Cork, by Andrew O'Shaughnessy, a native of Freemount (near





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Fig. 3.5. Truck from the Newmarket Dairy Company at its premises in the then King Street (now MacCurtain Street) in Cork. This enterprise was the most important private creamery in Cork. By 1924 it operated five central creameries and twenty seven auxiliaries. It was absorbed into the Condensed Milk Company of Ireland in 1925.

(Image courtesy of Conal Creedon)

Kanturk, Co. Cork) where his father owned a woollen mill. Over the following twelve years, with the help of a trading relationship developed with the English provisions company, Lovell & Christmas (which also provided financial assistance), O'Shaughnessy went on to establish or acquire four further central creameries (at Mitchelstown and Killumney, Co. Cork, Garryspillane, Co. Limerick and Knockulty, Co. Tipperary) along with eight auxiliaries. These were all brought under the aegis of the NDC, set up in 1904 with its Head Office in Metropole Buildings in King (now McCurtain) Street in Cork City. Subsequently, the NDC expanded rapidly, driven principally by the acquisition in 1911 of the groups of creameries (amounting to seven in total) centred

on Coachford and Terelton (Co. Cork) which had previously been established by the Co-operative Wholesale Society (see below). Two further auxiliaries were subsequently added to Coachford and six to Terelton.

By 1924, the NDC operated five central creameries (Newmarket, Mitchelstown, Terelton, Coachford and Knockulty) and twenty seven associated auxiliaries. In 1925 the NDC, through a complex series of transactions, was absorbed into the Condensed Milk Company of Ireland (CMCI) which the previous year had been taken over by a group of investors headed by Andrew O'Shaughnessy (O'Sullivan, 2011-12). O'Shaughnessy, who also owned three woollen mills, was elected to Dáil Éireann, along with RH Beamish of the Cork brewing family, under the "Progressive" banner, in 1923.

The Cork & Kerry Creamery Company

Another substantial Cork-based creamery company was the Cork & Kerry Creamery Company (fig. 3.6), set up about 1895 under the aegis of the Irish Creameries and Exporters Association, a consortium of Cork merchants, with its Head Office at Dunbar Street in Cork City. The firm's main operations were focused on central creameries in Ballinascorthy and Skibbereen in Southwest Cork, to which were added five and seven auxiliaries, respectively. There were further centrals in Kilmorna (Co. Kerry) and Kilmallock and Tooraree (Co. Limerick).



Proprietary groups in Kerry

Two Tralee-based businessmen came to occupy, separately, leading positions in the creamery system in Co. Kerry where co-operative development was weak. Gerald Watson and his brother David were the principals in the firm D & G Watson (also known as "Watson Brothers") which established creameries at Fieries (c.1894), Castlemaine (1895), Tralee (1898) and Farmers Bridge, near Tralee (1901). David Watson appears to have died around this time, with Gerald continuing the business under the title of D & G Watson. In 1905, the firm took over the former co-operative creamery at Castleisland and in 1909-10 it established a creamery at Killorglin and took over four creameries from the Co-operative Wholesale Society (CWS - see below) in central Kerry. By 1918, Watsons operated six central and six auxiliary creameries.

Fig. 3.6. Work at the premises of the Cork & Kerry Creamery Company in Dunbar Street in Cork.

Jeremiah M. Slattery, a Tralee-based merchant, either established or acquired central creameries at Crotta and Laheshheragh (commonly known as "Labashera"), along with three auxiliaries, between 1895-1901. In 1903, he acquired creameries from the CWS at Kilquane and Gortatlea (east of Tralee) and in 1910 he acquired further CWS creameries in the Dingle peninsula, including Dingle (with an auxiliary at Ballyferriter) and Stradbally (with an auxiliary at Camp). By 1914, Slattery owned seven central and eight auxiliary creameries, including two centrals in West Limerick (one of which, at Kilmeeady, had been a co-operative).

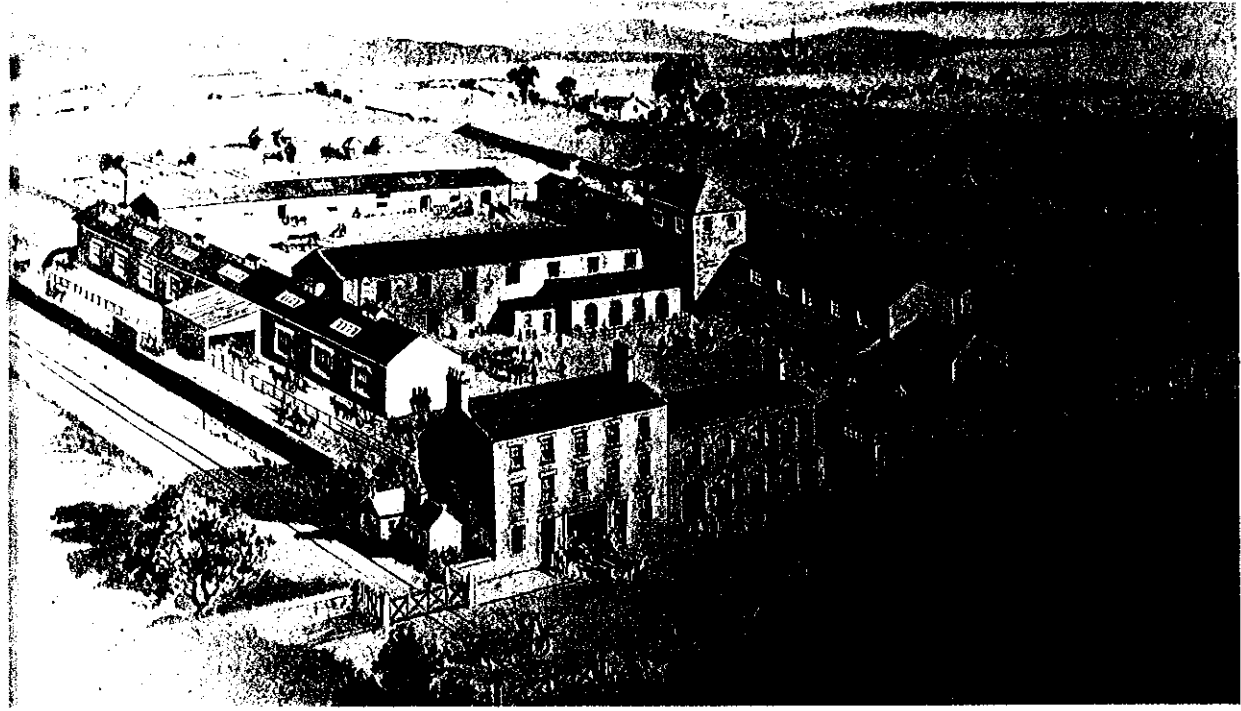
The Golden Vein Dairy Company

In Co. Limerick, an important proprietary concern was the Golden Vein Dairy Company (GVDC). The term "Golden Vein" was sometimes used as an alternative "Golden Vale". Joseph Cagney, a local miller, established a creamery under this name at Glenfield, near Kilmallock, around 1889. Cagney subsequently moved to the Kilfinane area near the Limerick/Cork border and that town subsequently became associated with the GVDC, although its registered offices were listed as being at 53 South Mall in Cork City in Guy's 1907 Directory of the City and County of Cork. The entry in the latter directory listed three Directors of the company: Joseph Cagney, Jeremiah Hurley (an auctioneer and manager of the GVDC creamery at Kilfinane) and Elizabeth England, a widow living in Blackrock, Cork City, who was Joseph Cagney's sister. England's son, Joseph, subsequently assumed ownership of the GVDC (Joseph Cagney remained unmarried and did not have an heir) and was one of the group of Cork-based businessmen which took over the Condensed Milk Company of Ireland in 1924 (see below). The GVDC eventually controlled three central creameries (Ballylanders, Darragh and Kilfinane, all in South Limerick) along with two auxiliaries. In a statement to Dáil Éireann on October 19, 1927, the Minister for Agriculture, Patrick Hogan, described the Golden Vein creameries as being "amongst the finest in the country".

Fig. 3.7. Tralee Creamery of the Cooperative Wholesale Society (CWS), 1905. The CWS became involved in the Irish creamery industry in 1894. By 1902 it operated forty one central creameries and fifty five auxiliaries in Munster, with a particularly strong presence in Kerry. It had substantially withdrawn from Ireland by the outbreak of the First World War. Bunkay Bridge (1918) and Tralee (1929) were the last creameries run by the Society in Ireland. Image courtesy of the CWS Archive

British creamery companies

A leading feature of the proprietary creamery sector in Ireland was the strong presence of British-based firms in the sector, particularly in its early years. In most cases these were firms which had been sourcing butter from Ireland in the pre-creamery era. The arrival of the creameries disrupted traditional supply systems, and the firms in question decided to establish their own creameries in order to copper-fasten their supply requirements.



The Co-operative Wholesale Society

By far the most important company in this category was the Manchester-based Co-operative Wholesale Society (CWS), the supply arm of Britain's vast network of local consumer co-operatives affiliated to the Co-operative Union. By the mid-1880s, some one thousand such co-operatives had been established with over half a million members (Birchall, 1997). At that stage, Ireland was the CWS's main source of butter and had a well-established network of buyers feeding into supply depots in Limerick (its main

Irish base), Cork, Tralee (**fig. 3.7**) and Armagh (Redfern, 1913).

Given its co-operative base, one might have expected the CWS to develop a close association with the emerging co-operative creamery sector, and indeed the firm provided active support to Horace Plunkett's initial campaign to promote this sector, and played a key role in the formation of the first co-operative creamery at Dromcollogher in 1889 (Stokes, 1898). However, a number of factors combined to impel the CWS to proceed to establish its own network of creameries in Ireland. These included the early failure of the Dromcollogher co-operative, which was sold to a private proprietor in 1891; a generally poor view of the outlook for the co-operative sector, due to a perceived lack of co-operative orientation among Irish dairy farmers and the performance of those co-operatives which were in operation, which were seen as being characterised by internal dissension, poor management and adulteration of milk by suppliers; a negative reaction to the formation, in 1893, by Plunkett of the Irish Co-operative Agency Society to market the butter produced by dairy co-operatives (which was seen by the CWS as a potential threat to the security of its butter supply); and concerns expressed by the CWS at its ability to secure an adequate supply of creamery butter under existing sourcing arrangements (Co-operative Wholesale Society, 1897; Stokes, 1898).

The immediate cause of the CWS's decision to become directly involved in creamery production in Ireland was an approach, in 1894, for assistance by the recently-formed Castlemahon Co-operative in West Limerick which had run into financial difficulties (Stokes, 1898). The CWS took over management of the creamery, the fortunes of which experienced an immediate improvement and the following year the CWS purchased the creamery outright. Subsequent approaches from farmers in other districts led the CWS to expand its creamery network (much to the chagrin of Horace Plunkett and the IAOS), targetting areas "where co-operation had failed or would not be attempted" and avoiding areas where there was even a remote possibility of a co-operative being formed (Stokes, 445). Given its organisational size and established reputation, the CWS was clearly seen as being preferable to alternative proprietary creameries in terms of reliability of payment and quality of management.

The CWS creamery network subsequently grew rapidly and by 1902 encompassed forty one central creameries and fifty five auxiliaries throughout Munster, with the exception of Co. Waterford. The firm played a particularly important role in developing the creamery

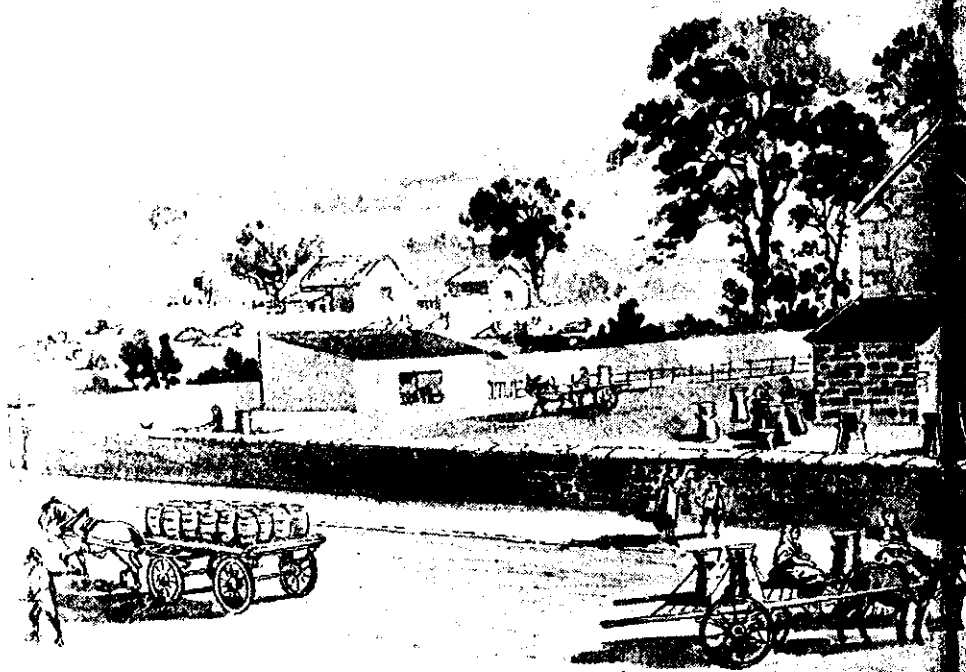
system in Co. Kerry, where it already had a well-developed supply system focused on its Tralee depot which also operated a facility for blending farmers' butter, a bacon factory and an egg purchasing business. In all, the CWS established eleven central creameries and fourteen auxiliaries in the county. The firm also introduced the creamery system to West Clare, where it established three centrals and nine auxiliaries.

However, from an early stage, the CWS appears to have become disenchanted with its experience of operating creameries in Ireland, and as early as 1900 approached the IAOS with a view to selling its creameries to local co-operatives (actual or potential) on concessionary terms (IAOS, 1901). However, the IAOS failed to do a deal with the CWS which would have facilitated an orderly transfer of the CWS creameries to co-operative ownership, alleging that the CWS was asking for excessive amounts for, and attaching unacceptable conditions to, the sale of its creameries (IAOS, 1903). After this, the CWS began a process of selling off its creameries to the highest bidder. The first sale was effected in 1902, but it was not until 1909 that the CWS commenced large-scale disposal of its creameries, and within three years almost all of them were either sold or closed down, the survivors being Bunkay Bridge, Co. Limerick (**fig. 3.8**) with its auxiliary at Killoscully (which were eventually sold in 1918) and its Tralee creamery (with three auxiliaries) which continued to operate until being taken over (and closed down) by the Dairy Disposal Company (see below) in 1929. Apart from the latter, forty seven of the CWS creameries were disposed of to other private interests, thirty to co-operatives (many of which were set up specifically for the purpose of taking over CWS creameries) and twenty two were closed. Half of the latter occurred in West Clare alone, while the bulk of co-operative takeovers took place in Limerick and Tipperary, whereas proprietary owners were the main beneficiaries in Cork and Kerry (where the co-operative sector had always been weak).

Anderson (1983) attributed the failure of the CWS creamery venture in Ireland to poor management, poor equipment and poor location in relation to available milk supplies although, having been the Secretary of the IAOS at the time, he probably would not have been the most detached of observers. Clohessy (1929) suggests that the CWS experienced problems with stability of milk supplies and a lack of winter milk (although the latter would have been a general problem facing Irish creameries). However, the fact remains that the great majority of the firm's creameries continued to

Overleaf:

Fig. 3.8. CWS Creamery, Bunkay Bridge, Co. Limerick. *Image courtesy of the CWS Archive*



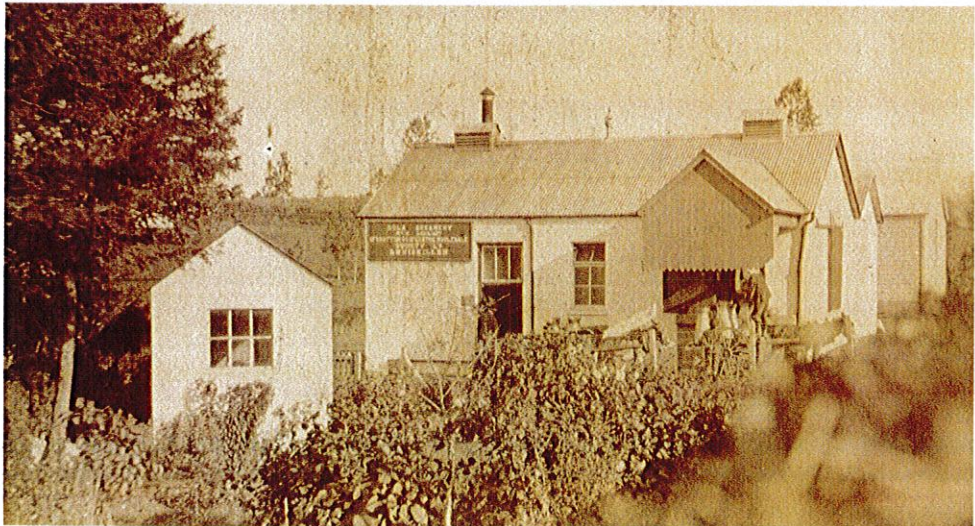


operate after being transferred to new owners. It is quite likely that, in exiting from Ireland, the CWS was accepting the fact that Irish-produced butter could not be made competitive with alternative sources of supply, particularly Denmark. Redfern (1913), in his jubilee history of the CWS, referred specifically to the poor quality of Irish butter and how it was losing out to Danish and Dutch butter and even to margarine. CWS Vice-Chairman, T.C. Bland, speaking at the official opening of a new CWS creamery at Dromclough (Co. Kerry) in 1896, had noted that Ireland's share of the firm's butter purchases had fallen from 66% in 1881 to just 15% in 1895 (*The Kerry Sentinel*, January 8, 1896). Bland expressed the firm's desire to reverse this trend, an objective which the erection of its Irish creamery network was intended (but without success) to fulfil.

The Scottish Co-operative Wholesale Society

A more modest venture in creamery butter production in the northern dairy region by the CWS's Scottish counterpart, the Scottish Co-operative Wholesale Society (SCWS), appears to have met with more success. The SCWS established a central creamery at Enniskillen along with seven auxiliaries in counties Fermanagh, Cavan and Leitrim in 1898/99, adding a further auxiliary

Fig. 3.9. Scottish Co-operative Wholesale Society (SCWS) auxiliary creamery at Gola, Co. Monaghan. The SCWS established a central creamery at Enniskillen in 1898-99 along with a number of auxiliaries, of which Gola was one.



in 1910. (fig. 3.9) In 1918, the firm took over a private creamery in Ballymoney (Co. Antrim), although this was converted to a co-operative five years later. All the other SCWS creameries continued to operate until the major restructuring of the creamery industry in Northern Ireland which was implemented by the Government in the 1930s.

The Maypole Dairy Company

The Maypole Dairy Company was established in 1887 by George Watson (not associated with the Watson family which operated creameries in Co. Kerry) and developed a network of shops throughout Britain (numbering 1,000 by 1926) specialising in eggs, tea, condensed milk, butter and margarine (Clare, undated). In 1891, the firm established three central creameries in Ireland, at Cappamore, Knocklong (both Co. Limerick) and Cullen (Co. Tipperary). By 1900, it had expanded its Irish operations to include nine centrals and six auxiliaries (adding a further auxiliary in 1903). Due to the shortage of appropriate management and technical skills in Ireland, the firm brought in skilled workers from Denmark, Sweden and Germany to run its creameries (O'Sullivan, 2009). In addition, the Maypole Chairman, George Watson, established the Anglo-Irish Condensed Milk Company as an associate company which commenced operations in Midleton in 1898 with a branch at Knocklong (adjacent to the Maypole creamery already located there).

However, from 1901 Maypole began to divest itself of its Irish operations, with four creameries being converted to co-operatives and the rest sold to proprietary interests. The most significant of the latter was the Condensed Milk Company of Ireland (CMCI) which purchased Knocklong (along with four auxiliaries) and the Dromin (Co. Limerick) central (with two auxiliaries) in 1907. The Midleton condensed milk factory was also taken over by the CMCI around 1907. As with the CWS, Maypole's departure from Ireland may have been occasioned by a switch to Denmark as a more regular, reliable and higher-quality supply source, as Clare (undated) has noted how the firm had developed strong links with Danish dairy suppliers and had set up its own transit depots in that country.

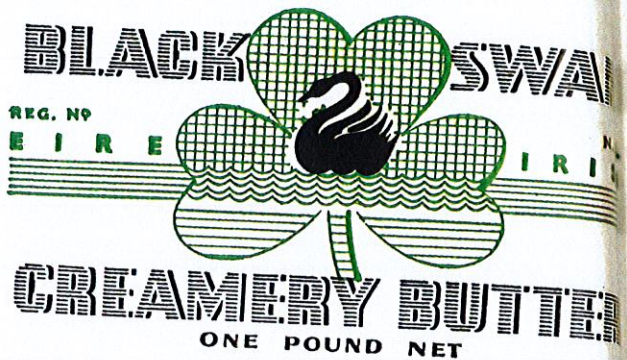
J & J Lonsdale

J & J Lonsdale was a provisions firm with offices in Manchester and Liverpool which in the pre-creamery era had developed a substantial butter supply network in Ireland with offices/depots at Anderson's Quay in Cork City, Armagh, Sligo and Tipperary Town (Slater's

Directory, 1894). As with other British firms, it decided to protect its Irish butter supplies following the advent of the creamery system by setting up its own network of creameries. In pursuing this objective, Lonsdale adopted a singular organisational strategy. Firstly, it set up two separate regional creamery networks, each supplying a single central creamery from a widely dispersed set of auxiliaries. In the northwest, it established a central creamery at Longford in 1899 and, over the following five years, built up a supply system involving twenty seven auxiliary creameries, spread throughout Longford, Leitrim, Roscommon, Sligo and Cavan. Access to a railway was an important consideration in selecting sites for these creameries, given the long distances over which cream had to be transported to Longford. The region served by the Longford central was on the southwest margins of the Northern Dairy Region and had experienced little previous creamery penetration.

The second regional network was focused on a central creamery located in Cork City, with the bulk of the supplying auxiliaries being located in West Waterford, another marginal district on the edge of the core Munster dairying region. Here, seven Lonsdale auxiliaries were established in 1899-1901. In this case, cream was brought either to Youghal railway station or stations on the Waterford/Mallow line for transfer to Cork (Ó Cathbhuadhaigh, 2005). The Cork central was also supplied by two auxiliaries located west

O'MAHONEY & CO. (MNFG) LTD., CORK & DUBLIN



DOWDALL, O'MAHONEY & CO. (MNFG) LTD., CORK & DUN.

Fig. 3.10. Black Swan butter wrapper; Dowdall & O'Mahony produced blended butter under this label at their premises on Union Quay in Cork. Butter blenders would blend butter from various sources, including individual farmers and creameries. The factory closed in 1989.

of Cork City and two in the vicinity of Tipperary Town.

As with the other British creamery firms, Lonsdale's sojourn in Ireland was rather brief. The Cork central and its associated auxiliaries were disposed of in 1903/04, the seven located in West Waterford being sold to a Dungarvan-based businesswoman (Annie Sheehan) for a reputed total sum of just £80 (Ó Cathbhuadhaigh, 2005). The creameries in the northwest survived for a few more years, with the bulk of them being taken over in 1906/07 by a firm named Western Creameries Ltd., about which little is known but which in

turn went out of business around 1911.

It is probable that the demise of the Lonsdale creamery venture in Ireland was linked to problems arising from the combination of reliance on suppliers in marginal dairying areas and long supply lines. This is indicated by the fact that, following the brief Western Creameries Ltd. episode, eleven of the original twenty seven Lonsdale auxiliaries in the northwest had ceased to function. Similarly, five of the twelve auxiliaries in the south failed to find a buyer. In addition, many of those creameries which were sold on had short subsequent lifespans. At the same time, it is notable that, following the emergence of New Zealand and Australia as new supply sources for butter with the development of refrigeration technology around the turn of the 20th century, Lonsdale developed strong trading links with these new source areas. Again, this highlights weaknesses in the structure and functioning of the Irish dairy industry which led to this country at large being marginalised with respect to the British market, with Irish butter being excluded from the lucrative London market and confined to regional markets in Britain's industrial areas (O'Donovan, 1940).

Dowdall Brothers

The Manchester-based Dowdall Brothers were a major purchaser/exporter of Irish farmers' butter before the creamery era with stores at Caroline Street in Cork City and Charleville in North Cork. According to Donnelly (1971), this firm was the driving force behind the establishment and/or enlargement, between 1886-88, of Anglo-Irish Creameries, a consortium of thirteen creameries operating in the North Cork/South Limerick area. However, the only record available is of a creamery under that name (but also commonly known as

Dowdalls) which was established in Charleville, in 1887, in the former jail at the southern end of the Main Street. This was sold to a local proprietor in 1910.

Dowdalls were also involved with W & C McDonnell, a butter-blending and margarine manufacturing firm, in establishing a creamery in Limerick City in 1886. According to Stokes (1898), this was the first “steam dairy” employing the “Danish system” to operate in Ireland, although a similar system appears to have been used in Hospital two years previously (O’Sullivan, 2009). The McDonnell-Dowdall joint venture also opened an auxiliary at New Pallas (Pallasgreen) in East Limerick in 1887. Both creameries appear to have ceased operations in the early 1890s.

Dowdalls were also partners in the firm Dowdall O’Mahony & Company Ltd. whose factory at Union Quay in Cork City (established in the early 1900s) produced blended Black Swan butter (**fig. 3.10**), Sunrose margarine, confectionery margarine, Champion cake margarine, Baker’s Pride golden shortening and Frytex, Whiteline soap and Wizard carbolic soap. The company was taken over by Kraft in 1969 and the factory was closed in 1989. It appears that the Dowdall family moved from Manchester to Cork following the death, in the early 1900s, of James Dowdall, principal of the Dowdall Brothers firm. James’s daughter-in-law Jane (Jenny) Dowdall was Lord Mayor of Cork in 1959-60.

West Surrey Dairy Company

The West Surrey Central Dairy Company established a creamery in Kildorrery in Northeast Cork in 1887 (Anon., 1987; Cow & Gate celebrate 125 years in Ireland, undated). This company, which also operated several creameries in Guildford, Surrey, was owned by the Gates brothers and evolved from a small provisions shop in Guildford. The Kildorrery creamery was managed by William Gates, who was also a dentist and developed an extensive dental practice in Kildorrery and surrounding towns. All of the cream produced at Kildorrery was exported to Guildford in twenty gallon churns which were transported by rail from nearby Ballyhooly station to Rosslare and from there by boat and rail to England.

About 1904, the company commenced the production of milk powder at Kildorrery – one of the first Irish creameries to do so. In 1929 the company was renamed Cow & Gate (derived from the firm’s registered Trade Mark which showed a cow looking over a gate), with the milk-based baby formula produced at Kildorrery subsequently becoming world-famous under that name. With demand for the product rising rapidly, production was moved

(under licence) to the Ballyclough Co-operative plant at Mallow and the Dungarvan Co-operative plant at Dungarvan in 1947, with the Kildorrery creamery subsequently being absorbed into the nearby Mitchelstown Co-operative. In 1959, Cow & Gate merged with United Dairies of England to form Unigate, which became heavily involved, in association with a number of Irish dairy co-operatives, in cheese manufacture in Ireland in the 1960s. In the early 1970s, Unigate moved baby formula production to a new plant built at Wexford (Company leaflet, *100 Years in Ireland 1887-1987*). This plant, and the Cow & Gate brand, were sold to Nutricia which was then taken over by Groupe Danone whose subsidiary Royal Numico now employs 350 people in baby food production in Wexford and Macroom.

The Condensed Milk Company of Ireland

We have left discussion of this firm to last because of the dominant position it came to hold within the proprietary creamery sector in Ireland. The Condensed Milk Company of Ireland originated with Thomas Cleeve, born in Quebec in 1844 to an English father and a Cork-born mother of French Huguenot stock. In 1864, Cleeve moved to Limerick to work in his uncle's business, which combined a pharmacy with the supply of agricultural seeds and implements (O'Sullivan, 2009). He quickly rose to the position of manager and then sole proprietor on the death of his uncle. With the business expanding rapidly, Cleeve was joined by four younger brothers from Canada. Together, these formed the Cleeve Brothers company which commenced the manufacture of prepared coffee in 1881. They diversified into the production of sweetened condensed milk in 1885 and, with demand for this product growing rapidly, a separate subsidiary, the Condensed Milk Company of Ireland (CMCI), was established in 1889, although this company continued to be commonly referred to as "Cleeve Brothers" or simply "Cleeves". The CMCI also moved into the production of butter (**fig. 3.11**), cream, chocolate and toffee, including Cleeves Slab Toffee which became a very popular brand in the Irish market and was also exported throughout the globe (Urney Chocolates, undated)*.

The CMCI transferred production to a nearby disused mill premises at Lansdowne (in Limerick City) which, with its landmark 150-foot high chimney stack, was to become the symbolic and functional centre of the firm's extensive operations throughout the Mun-

4. The production of slab toffee continued after the takeover of CMCI by the Dairy Disposal Company in 1927 (see below) until the DDC itself was disbanded in 1974.



ster region. With demand for its products continuing to expand rapidly, the CMCI established further condenseries at Mallow (1889), Carrick-on-Suir (1890), Bruree (1894), Kanturk (1895), Clonmel (1896), Kilmallock and Tipperary (1898). As detailed earlier, the firm subsequently acquired condenseries and sub-condenseries at Clonmel, Fethard, Knocklong and Middleton. Each of these was supplied by a network of branches which both assembled milk for forwarding to the condenseries and separated cream for the buttermaking business which the CMCI carried on in parallel with condensed milk manufacture. Apart from its eleven condenseries/subcondenseries (the firm's original condensery at Clonmel was closed following the acquisition, in 1906, of that previously owned by the Irish National Condensed Milk Company), CMCI established or acquired a further eighty two branch operations in counties Limerick, Cork, Tipperary, Clare and Waterford up to 1920.

Fig. 3.11. Butter packing room at the Lansdowne, Limerick, premises of the Condensed Milk Company of Ireland, commonly known as Cleeves, c1890 – 1910. The Cleeve brothers were Quebec-born to an English father and a Cork mother of French Huguenot stock. The company, Cleeve Brothers, was founded in 1881 and traded until 1923. At its peak the company employed three thousand people, making it one of the largest employers in the country.

Image courtesy of the National Library of Ireland

By 1900 the CMCI employed two thousand people and was purchasing milk from three thousand dairy farmers. The outbreak of World War I in 1914 provided a further boost to the company due to demand for its products by British forces fighting overseas, and, by the end of the war, employment had risen to three thousand, making the CMCI one of the largest industrial employers in Ireland and the leading producer of condensed milk in the then United Kingdom. Employment in the Lansdowne factory in Limerick (which was supplied by twenty nine branches) alone stood at one thousand, while the Tipperary plant (with nineteen branches) employed up to two hundred with similar numbers at Clonmel, rising to three hundred in peak season (Bruce, 2007; Jenkins, 1997; The (Clonmel) Nationalist, May 5, 2011).

Demise of the Proprietary Creamery Sector

The demise of the proprietary creamery sector in Ireland is intimately tied up with the declining fortunes of the CMCI following the end of World War I in 1918. The Irish dairy industry had enjoyed boom conditions during the course of the war, and was plunged into depression as demand and prices collapsed following the cessation of hostilities and the demobilisation of the military forces which had been a major consumer of Irish dairy products (Bolger, 1977, 1983). Co-operatives which had been generous in the boom years in the granting of credit to farmers purchasing agricultural supplies were now experiencing indebtedness problems which were aggravated by the poor market conditions and the fact that many had been forced to pay high prices for milk in order to match those offered during the war by the CMCI. Operating conditions were further exacerbated by the disruption and instability caused by the War of Independence and the subsequent Civil War, including numerous burnings of creameries. The widespread business difficulties being experienced in the dairy processing sector served to highlight a key underlying problem with the sector *viz.* the fact that there had been an overproliferation of creameries, leading to so-called “milk wars” between neighbouring creameries in some areas, particularly in the mid-Munster region.

The situation of the CMCI was particularly parlous. The ending of the war had left the company with considerable stocks in hand which served to undermine its financial position. This was further exacerbated by a number of militant industrial actions at the firm's premises between 1919-23 (Cahill, 1990; Kostick, 1996). In April 1919, the company's main factory at Limerick was closed for two weeks during the course of a general strike in the city arising from the death of Robert Byrne, a leading IRA Volunteer and trade unionist, who was fatally wounded while being rescued from British custody. In May 1920, the CMCI central creamery at Knocklong and its twelve auxiliaries were taken over by the workers. Inspired by recent events in Russia, the workers raised a red flag over the Knocklong creamery and replaced the company nameplate with the sign "Knocklong Soviet Creamery". In July, the Tipperary central was occupied by striking women workers. In April 1922, another "soviet" was established at the Clonmel factory, while a similar takeover at Carrick-on-Suir became quite nasty, involving clashes between workers and farmers, many of whom then purchased hand-operated cream separators and reverted to making their own butter. Here and elsewhere, many former CMCI suppliers switched to supplying other creameries and did not return when the industrial action ceased. On top of these incidents, the CMCI creameries at Knocklong and Mallow were burned by British forces in 1920 and the Tipperary creamery was burned during the political unrest of 1922.

All these developments had a profound impact on the firm's viability, with its level of indebtedness soaring from £322,000 to £443,000 between March and October 1923. In November of that year, the directors (all eight of whom were members of the Cleeve family) decided to go into liquidation (O'Sullivan, 2011-12). At this stage a Cork-based group of businessmen, led by Andrew O'Shaughnessy of the Newmarket Dairy Company, set up a new company called The Condensed Milk Company of Ireland (1924) Ltd. which acquired the assets of the CMCI and subsequently (in 1925) also absorbed the Newmarket Dairy Company. This had the effect of greatly increasing the dominance of the proprietary creamery sector by the "new" CMCI which went on to establish or acquire ten more creameries over the following two years. By 1927, the firm owned one hundred and thirteen creameries, of which fourteen were centrals and ninety nine auxiliaries, along with ten condensed milk plants and a range of other assets.

However, from the beginning, the new company was seriously undercapitalised, a deficiency that was only temporarily relieved when the British wholesale grocery company,

Lovell and Christmas, bought a major shareholding in 1925. With losses continuing to mount, in late 1926, the CMCI indicated to Henry Kennedy, the recently-appointed Secretary of the IAOS, that it was prepared to sell out to the Irish Government. Kennedy duly informed the Minister for Agriculture, Tipperary-man Patrick Hogan (who happened to be Kennedy's brother-in-law) who in turn arranged for the Government to purchase the CMCI in 1927. The Dairy Disposal Company (DDC) was set up to take over the CMCI's operations, but, in an interesting move, was also given the remit of buying out all other proprietary creamery concerns in the Irish Free State. All viable proprietary creameries were to be sold to existing co-operatives, or to new co-operatives to be set up for this purpose. Where suitable co-operatives were not available and could not be set up immediately, the DDC would run the creameries in question themselves. Non-viable creameries would be closed and their milk supply sold to co-operatives. The DDC was also empowered to buy out insolvent co-operatives and to set up new creameries in areas not already served by creameries and where the establishment of co-operatives was deemed impracticable (Ó Fathartaigh, 2010).

The DDC set about its business with admirable alacrity. The Annual Report of the Department of Agriculture for 1927/28 reported that twenty nine of the CMCI creameries had been sold and fifty had been closed. In May 1928, there were thirty remaining proprietary concerns which, between them, continued to operate forty centrals and fifty four auxiliaries, located mainly in Cork and Kerry. By June 1929, the DDC had purchased a further thirty six creameries from these concerns. By 1931, one hundred and seventy one proprietary creameries had been acquired, of which forty four had been transferred to co-operatives and seventy nine had been closed. The remaining forty seven stayed in DDC ownership (O'Sullivan, 2011-12). While these purchases had been by voluntary agreement, the 1943 Creamery (Acquisitions) Act empowered the DDC to compulsorily acquire the small number of remaining proprietary creameries, facilitating the completion of the process of extinguishing the proprietary creamery sector in Ireland. In all, the DDC acquired eighty one central and one hundred and seventy branch creameries (Hennigan, 1965).

The restructuring process effected by the DDC had striking geographical dimensions. The existing strength of the co-operative sector in counties Limerick and Tipperary facilitated the task of closing redundant creameries and transferring viable creameries to co-operative ownership (the Golden Vein Dairy Company creameries were the last surviving proprietary creameries in Co. Limerick; one was closed, three were transferred to co-operatives

and one was retained by the DDC). However, this was not the case in most of Cork and Kerry. As a result, the DDC continued to operate many (and most, in the case of Kerry) of the creameries acquired in these counties (including some insolvent co-operatives – again reflecting the weakness of the co-operative sector in these areas). This mainly meant the groups of creameries formerly owned by the Newmarket Dairy Company (NDC) in Cork and those owned by JM Slattery and Watson Brothers in Kerry. In Kerry in particular, there were many closures (of both proprietary and co-operative creameries) with the remaining creameries taken over by the DDC being reorganised around four centrals located at Listowel, Ardfert (northwest of Tralee), Dicks Grove (near Farranfore) and Rathmore (on the Kerry/Cork border).

The picture was somewhat different in Northeast Cork, where the establishment in 1925 of a creamery by Mitchelstown Co-operative Agricultural Society (originally founded in 1919 as an agricultural supplies concern) provided a strong competitor for the group of NDC creameries centred on that town (in fact, the Co-operative adopted a very aggressive policy of establishing auxiliaries in the immediate vicinity of those operated by the NDC). This facilitated the closure by the DDC of the NDC creameries in the area.

Significant geographical ramifications also applied to the DDC's decision to continue the condensed milk business previously carried on by CMCI. The co-operatives lacked the expertise to operate the condensaries (although Ballyclough Co-operative continued to operate the condensery, which it acquired as part of the CMCI's Mallow plant, for a number of years as a sub-condensery of the Limerick condensery); in addition the distribution and marketing of the product required different channels from those for butter, in which the co-operatives specialised. The central condensery at Lansdowne in Limerick was kept open, although the dense network of auxiliaries in Co. Limerick and North Tipperary which supplied the plant was transferred to co-operative ownership. The DDC therefore had to look elsewhere for supplies, which it did by maintaining sub-condenseries (with associated auxiliaries in some cases) at Tipperary, Knocklong, Bruree and Dromkeen. These sub-condenseries carried out preliminary processing of milk prior to transfer to Lansdowne for final processing. This meant that auxiliary creameries which would have been readily assigned to co-operatives in these areas were retained by the DDC to serve the sub-condenseries. This created a rather unusual situation in the Tipperary Town district where the DDC and the large Tipperary Co-operative shared a common supply hinterland serving two centrals

located adjacent to one another.

By the 1940s, the DDC's reforming zeal had all but abated and the company became a permanent feature of the Irish dairy processing landscape, showing little inclination to divest itself of its creamery collection, apart from some in Northwest Cork which were off-loaded as part of the process of creating Newmarket Co-operative Creamery in 1944. A list of DDC creameries furnished in a reply to a Parliamentary Question in Dáil Éireann on March 24, 1943 included seventeen centrals and one hundred and eleven auxiliaries, along with the original CMCI condensery in Limerick and sub-condenseries at Dromkeen, Knocklong and Tipperary. The creameries were distributed between counties and between centrals/auxiliaries as follows: Kerry (8/39), Clare (3/28), Cork (4/26), Tipperary (1/11) and Limerick (1/7). Of the one hundred and thirty two units in all covered in the parliamentary reply, fifty five had been acquired from proprietary concerns (the remainder being acquired co-operatives and creameries set up *ab initio* by the DDC).

Pressure on the DDC to dispose of its creameries grew in the 1960s, as the process of co-operative rationalisation created large units anxious to expand their access to milk supplies with EU membership (and its associated milk subsidies) looming. The DDC was eventually disbanded in the early 1970s. Its Lansdowne plant and the network of creameries it had established in West Clare were transferred to the Golden Vale Co-operative which was subsequently absorbed into the Kerry Group which grew out of Kerry Co-operative, created in 1973 from the DDC creameries in Co. Kerry. The condensery at Tipperary with its ten branches was taken over by Tipperary Co-operative, while Knocklong and its branches were transferred to Mitchelstown Co-operative (now part of Dairygold Co-operative). In Cork, the Terelton and Coachford creamery groups were sold to Ballyclough Co-operative (now also part of Dairygold).

Conclusion

This chapter has shown how privately-owned "proprietary" creameries dominated the early years of the growth of the Irish creamery industry and, despite the subsequent emergence of the co-operative sector, were still on a par, in numerical terms, with the latter sector in the dominant Southern Dairy Region up to the 1920s. By contrast, proprietary creameries never had a prominent presence in the Northern Dairy Region and had fallen away to insignificance by the time of partition in 1922.

A number of British concerns established substantial creamery networks in the early years of creamery development but quickly found that alternative overseas sources of butter supply were preferable in terms of both of quality and supply reliability. This suggests that the discontinuation of their Irish operations was linked to dissatisfaction with their sources of milk supply within the dairy farming community and, indeed, many of the inadequacies in question have been well documented (see, for example, Anderson, 1983; Bolger, 1977). These included a tendency on the part of dairy farmers to switch between creameries depending on which offered the best milk price, poor technical standards and an inability to supply milk on a year-round basis. This disaffection with Irish dairy farmers may have underpinned an early plan – never implemented – on the part of the CWS to buy land and operate its own dairy farms in Ireland (Bolger, 1977).

While many small creamery concerns continued to operate, over time the proprietary sector became increasingly dominated by the Condensed Milk Company of Ireland (CMCI) which eventually owned 113 creameries (almost two thirds of the extant population of proprietary creameries) and ten condenseries in 1927. The CMCI possessed the economies of scale in production and marketing which were sorely lacking in the co-operative sector. Thus, most of its creameries comprised auxiliaries supplying a small number of central creameries/condenseries, whereas most co-operatives were “stand-alone” central creameries with few auxiliaries. The CMCI had a diversified product range which included butter and a range of confectionery goods in addition to its main product, condensed milk. The co-operatives, by contrast, produced a single product – butter – apart from a brief period during World War I when many of them (as well as many small proprietary concerns) engaged in cheese production in response to high war prices. However, this was a low-quality product, the demand for which disappeared following the cessation of hostilities in 1918. Furthermore, the CMCI had a strong brand image, whereas the co-operatives produced their butter under a myriad of names and then competed with each other to sell it in the market place.

Despite these structural advantages, as we have seen, a peculiar combination of circumstances undermined the viability of the CMCI in the 1920s, leading to its takeover by the DDC. It can be argued that this takeover, along with that of the other proprietary creameries, presented the Irish government with a golden opportunity to push through a profound restructuring of the Irish dairy processing industry. The transfer of proprietary creameries to co-operatives, for example, could have been made conditional on a simultaneous reorgani-

sation of the co-operative sector itself. The obvious model here would have been Denmark where the dairy processing industry was almost completely in co-operative ownership, but involved an advanced level of co-operation between co-operatives, facilitating a high level of scale economies in processing and marketing. For example, Denmark introduced a single national butter brand (Lur) as early as 1899 and within five years virtually all of that country's creameries marketed their butter under this brand.

The DDC could also have played a stronger developmental role in those areas where co-operatives did not exist by using the availability of its creameries, in combination with appropriate educational programmes, to promote co-operative formation. However, the short-term political advantages of quick disposal of valuable productive assets to, and/or removal of competitors from, the co-operative sector clearly took priority over such long-term thinking.

While the DDC itself over time became a somewhat sclerotic commercial entity, one could still question the decision to close it down and transfer its assets to the co-operative sector in the early 1970s. It had continued to produce sterilized evaporated and sweetened condensed milk and, while these have declined in international importance with the development of milk powders, they are still products with commercial significance, especially in the USA and the Netherlands; about 2% of total world milk production is used for the production of each of these products. No concentrated milk products have been produced in Ireland during the past 50 years – this constitutes a major gap in our national dairy product mix.

There may be some irony in the fact that there has been a significant movement towards the private ownership of Irish dairy processing in the last twenty years. The monolithic dominance of the co-operative movement of the Irish dairy industry, which had a statutory backing, began to crumble in the late 1960s when UK-based companies, in partnership with Irish co-operatives, established milk processing plants in Ireland (see chap 5). The more recent emergence of Ireland as a leading supplier of infant formula to global markets has been built around major privately-owned plants operated by Nestlé, trading as Wyeth Nutritionals Ireland (at Askeaton in Co. Limerick), Danone (Wexford and Macroom) and Abbott (Sligo). Some of the co-operatives have themselves developed new ownership structures. The largest Irish dairy group, Kerry Group (which grew out of Kerry Co-operative) is now predominantly a public limited company, whose shares are traded in the public do-

main. The second largest group, Glanbia, (which grew out of Waterford Co-operative and Avonmore Co-operative) has now disaggregated into two entities, one a PLC and the other a co-operative. Both are joint owners of a major milk processing plant. Carbery, in West Cork, is a private company which is owned by four local co-operatives, having been previously owned by the same co-operatives in partnership with the UK company, Express Dairies. Other groups, such as Dairygold, remain resolutely co-operative. With the remaining smaller Irish co-operatives likely to come under further rationalisation pressures, the final ownership structure of the Irish dairy industry is far from clear. Reverting to private ownership, where the industry began some 130 years ago, is not an impossibility.