

SPECIAL GENERAL ASSEMBLY
OF THE
TULE LAKE COOPERATIVE ENTERPRISES, INC.

August 10, 1943

A special general assembly of the Tule Lake Cooperative Enterprises, Inc., was held at Building 2920, on August 10, 1943, from 8:00 P.M., pursuant to notice duly given by the Executive Secretary.

Roll call was taken and Directors, Committeemen, and Representatives were found to be present as recorded on the attached attendance list.

In order to avoid misunderstanding as to who had called the special general assembly, the circumstances leading to the meeting were explained by the Chairman of the Management Committee, Mr. K. Ikeda, who acted as Temporary Chairman. Mr. Ikeda gave a brief report of the special joint committee meetings, held on July 19 and 23, 1943. The recommendations of the special joint committee meeting, held on July 19, were as follows:

1. To put an immediate stop to all buying with the exception of daily needs.
2. To dispose of merchandise on hand at discount prices in order to make cash available for payment of liabilities and patronage dividends.
3. To immediately discontinue the mail-order service.
4. To close Canteen #4.

The members present at the special meeting of July 19 had adjourned with the understanding that another special joint committee meeting would be called within three weeks. Another special joint meeting of the Board of Directors, Ward Chairmen, and Committee members had been held on July 23, 1943, at 1308, but no decisions as to the recommendations made at the previous meeting were made because of the lack of definite instructions on segregation until the outcome of the Denver Conference was announced.

At this time, on the unanimous approval of the assembly, President S. Kuramoto took the Chair since the special general assembly had been called by the Board of Directors. Mr. Kuramoto announced that although the general assembly had been set for August 20, 1943, it became very necessary to call a special general assembly to present certain facts and discuss current developments.

As to the first recommendation of the meeting of July 19, Mr. Kuramoto explained that it was very difficult to put an immediate stop to the buying of merchandise when future buying is taken into consideration. According to the buyers, periodical buying should be carried on in order to maintain contacts with the outside wholesalers and jobbers. If and when any buying is done, it is the Co-op's practice to do so with the mutual agreement that the orders may be subject to cancellation.

With reference to the disposal of goods through sales at discount, in order to get a clearer picture of the merchandise stock situation, a departmentalized merchandise inventories and sales report had been prepared. The report had been requested to determine if discount sales were an emergency.

Next, Mr. Kuramoto reported that discussion on the discontinuance of the mail-order service had been tabled at two Board meetings, but that at the meeting of August 9 it had been decided that the Mail Order Department be temporarily discontinued from August 15, 1943. Though no orders will be taken thereafter, the employees in the department will remain in service until all orders are delivered and settlements made.

The minutes of the regular Board of Directors' meeting, held on August 9, 1943, were read by the Executive Secretary and approved as read.

With regard to negotiations with the W.R.A. as to the possibility of obtaining a temporary cash loan from the W.R.A., Mr. Kuramoto reported that a committee, consisting of all executive officers, Mr. Ikeda of the Management Committee, and Directors Hisatsune and Fujioka, met with the Project Director Best on August 10, at 1:30 P.M. He informed the Assembly that the whole situation, and the reason for the application for a loan had been explained to Mr. Best. According to Mr. Best, the W.R.A. was willing to assist the Co-op, but no definite promise could be made by the Project Director unless the matter has been referred to the national headquarters at Washington. Therefore, until a reply is received from the national W.R.A., the matter will be pending. He pointed out that Co-op had refrained from applying for loans from the W.R.A. because a mortgage will be placed on the business and Supervisor installed by the W.R.A.

General Manager Kubo was next called upon to give his report. An estimated merchandise inventory report as of July 31st was submitted and explained to the group. Mr. Kubo pointed out the fact that even though no buying, except for daily needs, has been done since announcement of segregation, the July inventory was greater than the June inventory because merchandise ordered previous to July had been received during the month of July. At present, he added, there are still orders which had been placed some time ago but not yet received; all goods which had been ordered for the drug department, however, have been received.

Mr. Kubo named the slow-moving articles in the various departments and commented as follows:

- Dry Goods - Winter wear--woolen goods, sweaters, etc.
Woolen goods will be impossible to obtain from wholesalers this fall and there would be no need of selling such goods at a discount.
- Drugs - If sales are held on certain articles, discounts would have to be given on all items as it would be almost impossible to differentiate among the innumerable items in the department.
- Groceries - Only a few items are slow-moving, particularly one kind of noodles and molasses.
- Hardware - Ice skates which are seasonal--159 pairs, purchased last winter, on hand.
- Shoes - Work shoes, 500 pairs, purchased by Kendall Smith at costs from \$1.95 to \$3.50. Shoes are not bad, but not in demand due to issuance of shoes by W.R.A. A reply from the O.P.A. concerning permission to sell them without ration coupons is pending.

Sales during July totalling approximately \$131,000.00, Mr. Kubo continued, contrary to expectations, the volume of business did not decrease noticeably upon announcement of segregation, and it has not affected business to any great extent.

Treasurer K. Sugimoto, in making his report, announced that the financial statements had been delayed one week due to illness of Chief Accountant, Mr. Jim Kai, and had been completed by Acting Chief Accountant, Mr. Jiro Goto. The official certified financial statements will be presented at the General Assembly which is scheduled to be held on August 20. He further announced that since Mr. Jacobsen of the Northwest Cooperative Auditing and Service Association will be unable to come to Tule Lake prior to August 28, negotiations had been carried on to have an auditor from Sacramento make the audit before the August 20th assembly. The auditor is due to arrive on August 11th.

Mr. Sugimoto submitted and explained the unofficial Balance Sheet as of June 30, 1943, particularly the method in which the patronage refund of 7½% had been computed.

Among the questions asked and answers given during the discussion period which followed were:

1. If merchandise is not disposed of as soon as possible, how will the Co-op get sufficient cash to pay out patronage dividends and settle accounts payable?

(Ans.) If a temporary cash loan from the W.R.A. is not possible and when raising of cash becomes very necessary, the Board of Directors, Management Committee, and Ward Chairmen will arrange for special sales; however, according to the Project Director, sales at discount are inadvisable at present. If patrons would be willing to take the merchandise wherever possible, instead of cash, a loan from the W.R.A. would not be necessary.

2. Is the amount of shrinkage on goods actual, or is it estimated?

(Ans.) It is estimated shrinkage. According to the Auditing Committee's recommendation, 2% to 3% shrinkage on the goods was considered satisfactory. Actually, some goods do not have any shrinkage, but on the other hand, some goods, such as fruit, have approximately 5% shrinkage. Therefore, the average is considered 2% to 3%.

3. Why is it that reports of the retail control system have not been given since March?

(Ans.) Reports of the retail control system are not possible unless merchandise inventories are taken. Physical inventories are taken quarterly.

4. Will the 7½% patronage dividend definitely be distributed?

(Ans.) Yes; however, according to W.R.A. instructions, not more than 25% is payable in cash, but negotiations are being carried on for permission to issue cash orders for 50% of the dividends payable. The remaining 50% will be paid in the form of certificates of indebtedness.

Following the discussion period, the Chairman requested that the Assembly signify the desire with regard to the disposal of goods at discount sales. Upon a vote which was taken thereupon, it was unanimously approved that the Board of Directors, Ward Chairmen, and members of the Management Committee meet to study and decide upon the advisability of conducting sales at discount.

Upon conclusion of the business settled for the Special General Assembly, Mr. K. Ikeda again assumed the Chair to obtain the assembly's opinion on recommendations submitted by the Ward II Representatives' Assembly. He stated that upon segregation the keymen of the Co-operative will probably be leaving the Tule Lake Center. Since one-half of the members' patronage refunds will be left with the Co-op on their departure, it had been recommended that:

1. Successors to the keymen be trained prior to the departure of the present personnel. Ward II was in favor of a selection and training of successors.
2. Trustees, two from each Ward, should be appointed to look after the interests of the members who will be leaving.

Upon submittal to the assembly, both recommendations were unanimously approved.

There being no further business, the assembly was adjourned at 11:25 P.M.

Respectfully submitted,

/s/ Byron Akitsuki

Executive Secretary

SPECIAL GENERAL ASSEMBLY

August 10, 1943

ROLL CALL

BOARD OF DIRECTORS

ISSEI

T. Hisatsune, 414-C
G. Nakamura, 2516-C
K. Fujioka, 3214-A
M. Miyao, 2018-F
B. Takahashi, 4117-B
S. Seike, 4902-E
S. Kuramoto, 7304-E

NISEI

Frank Matsui, 5301-E
Kaz Narita, 7411-B

COMMITTEE ON COMMITTEE

J. Yada, 1601-C
M. Matsumoto, 3903-A
T. Fujii, 3601-C
F. Y. Tonomura, 4103-C
Y. Sato, 5203-D

MANAGEMENT COMMITTEE

M. Sakaguchi, 616-B
K. Ikeda, 3013-B
Y. Hitomi, 3514-A
F. Dairiki, 1205-A
H. Hashimoto, 4805-C
K. Matsumoto, 5105-C
H. Tsubota, 6903-C

AUDITING COMMITTEE

H. Shinozaki, 3014-C
M. Omachi, 2205-A
S. Matsuoka, 1007-B
K. Hayashi, 4714-E
A. Otsubo, 5313-C

EMPLOYEE RELATIONS COMMITTEE

T. Fujimoto, 1718-D
K. Iseri, 3918-F
N. Yoshida, 3515-B
H. Kato, 2019-B
S. Tanaka, 5815-C
M. Sasaki, 7105-C

CENTRAL MEMBERSHIP COM.

S. Donao, 2704-B
T. Hosokawa, 3118-C
G. Tsuji, 5917-C

WARD EDUCATION LEADERS

T. Ishino, 602-B
I. Shijo, 3713-A
F. Hayashi, 5602-E

WARD I ASSEMBLY (Block Representatives)

ISSEI

Sam Morimoto, 1314-A
T. Kuroda, 1418-A
F. Ogura, 1505-D
G. Nakamura, 1815-B

NISEI

K. Yokoyama, 619-B
H. Nakashima, 1301-D
Dan Aoyama, 1602-C

WARD II ASSEMBLY (Block Representatives)

K. Kishiyama, 2515-F
Y. Furuya, 2616-B
G. H. Morita, 2817-B
T. Kajita, 2901-B
F. Tagumi, 3014-B
K. Miyagishima, 3706-D
Tadashi Kishi, 3818-F

A. Watanabe, 2702-B
M. Tanaka, 2814-C
I. Ikenoto, 2918-E
Yoshio Oto, 3005-B
B. Kawamoto, 3916-A

WARD III ASSEMBLY (Block Representatives)

M. Izuno, 2215-A
M. Nasu, 2507-A
I. Yoshikawa, 2403-C
F. Morimitsu, 3201-D
M. Sato, 3303-A
S. Kanegawa, 3403-C

S. Nishio, 2201-A
E. Koyanagi, 2304-D
F. Yamayuki, 3319-A
H. Takemoto, 3506-A
Frank Nishioka, 3616-B

WARD IV ASSEMBLY (Block Representatives)

ISSEI

C. Katagiri, 715-A
T. Yamada, 802-C

NISEI

M. Maruyama, 707-C

WARD V ASSEMBLY (Block Representatives)

E. G. Araki, 4013-A
S. S. Nakao, 4316-D
H. Yamasaki, 4619-E
M. Yoshikawa, 4717-E
S. Tamamoto, 4803-D

S. Wakayama, 4004-B
T. Hamamoto, 4115-B
F. Nakagawa, 4205-B
K. Hayata, 4303-B

WARD VI ASSEMBLY (Block Representatives)

M. Kobayashi, 4903-D
S. Takeshita, 5014-E
Yoshimi Abe, 5304-D
U. Kawakami, 5415-F
S. Suzuki, 5605-A
Toru Yamamoto, 5712-B
Koji Asahara, 5807-B

K. Watanabe, 5305-A
James Nobuyama, 5613-D

WARD VII ASSEMBLY (Block Representatives)

Fred Fujii, 6707-D
K. Norimatsu, 6915-F

BLOCK MEMBERSHIP CHAIRMEN

WARD III

Joe M. Dote, 2417-B

WARD IV

T. Yokota, 1915-B

EXECUTIVE OFFICERS

S. Kubo, General Manager
K. Sugimoto, Treasurer
B. Akitsuki, Executive Secretary

WARD IX ASSEMBLY (Block Representatives)

K. Uno

1821

C. Katsuragi, 715-A
T. Yamada, 803-C
5617-E

WARD V ASSEMBLY (Block Representatives)

S. Tamamoto, 4303-D
M. Yoshikawa, 4717-E
H. Yamashiki, 4619-E
S. S. Nakao, 4316-D
E. G. Ataki, 4013-A
K. Hayata, 4303-B
F. Nakagawa, 4303-B
T. Hamamoto, 4113-B
S. Wakayama, 4004-B

WARD VI ASSEMBLY (Block Representatives)

Koji Asanuma, 3807-B
Toru Yamamoto, 3713-B
S. Suzuki, 3803-A
U. Kawakami, 3413-T
Yoshimi Abe, 3304-D
S. Takashita, 3014-E
M. Kobayashi, 4903-D
K. Watanabe, 3303-A
James Nobuyama, 3613-D

WARD VII ASSEMBLY (Block Representatives)

K. Norimatsu, 6013-T
Fred Fujii, 6707-D

BLOCK MEMBERSHIP CHAIRMAN

WARD IV

WARD III

Joe M. Dote, 2413-B
T. Yokota, 1913-B

EXECUTIVE OFFICERS

S. Kubo, General Manager
K. Sakimoto, Treasurer
B. Akitaaki, Executive Secretary