

SECURITIES AND EXCHANGE COMMISSION

FORM S-2/A

Registration of securities [amend]

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FILER

PRO FAC COOPERATIVE INC

CIK: **202932** | IRS No.: **160845824** | State of Incorpor.: **NY** | Fiscal Year End: **0626**
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SIC: **5140** Groceries & related products

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UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

File No. 333-7686

PRE-EFFECTIVE AMENDMENT NO. 1 TO

REGISTRATION STATEMENT
FORM S-2

Under The Securities Act of 1933

As filed with the Securities and Exchange Commission on September 16, 1997

PRO-FAC COOPERATIVE, INC.

(Exact name of registrant as specified in its charter)

NEW YORK
(State or other jurisdiction of
incorporation or organization)

16-6036816
(IRS Employer
Identification No.)

Copy to:

STEPHEN R. WRIGHT, GENERAL MANAGER
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(Name, address, including zip code, and telephone number, including area code,
of agent for service)

Approximate date of commencement of proposed sale to the public: as soon as practicable after the effective date of this Registration Statement. If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933 check the following box. If the registrant elects to deliver its latest annual report to security holders or a complete and legible facsimile thereof, pursuant to Item 11(a)(1) of this form check the following box. If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box.

Title of Each Class of Securities Being Registered	Proposed Maximum Amount Being Registered	Aggregate Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee*
<S>	<C>	<C>	<C>	<C>
Retains Preferred Stock**	\$4,000,000	100%	\$4,000,000	\$1,212.13
Total				\$1,212.13

* As permitted by Rule 429(a), the Prospectus included herein also relates to 776,414 shares of Common Stock (as to which a filing fee of \$1,338.65 was paid) and \$1,150,000 of Retains (as to which a filing fee was paid) registered covered by Registration Statement No. 33-60273.

** Representing Preferred Stock issuable at maturity of Retains.

</FN>

</TABLE>

PRIOR REGISTRATION - RULE 429
As permitted by Rule 429(a), the Prospectus included herein also relates to Registration Statement No. 33-60273. The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay the effective date of this Registration Statement until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until this Registration Statement shall have become effective on such date as the Commission, acting pursuant to Section 8(a), may determine.

PROSPECTUS

SUBJECT TO COMPLETION, DATED SEPTEMBER 16, 1997
PRO-FAC COOPERATIVE, INC.

\$5,150,000 Retains

Pro-Fac Cooperative, Inc. ("Pro-Fac") is a New York cooperative corporation with capital stock which markets the agricultural products grown by its members, all of whom are its common shareholders, through Agrilink Foods, Inc. (formerly Curtice-Burns Foods, Inc. or "Curtice Burns"), a food processing corporation which is a wholly-owned subsidiary of Pro-Fac. This Prospectus pertains to common stock, the allocation by Pro-Fac to its members of certain credits representing payments by Pro-Fac for crops purchased, denominated "retains", and to the issuance by Pro-Fac of its preferred stock to members and other persons holding such retains.

SEE THE SECTION OF THIS PROSPECTUS ENTITLED "RISK FACTORS," WHICH BEGINS ON PAGE 3, FOR CERTAIN SPECIAL FACTORS RELATING TO THIS OFFERING.

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

<TABLE>

		Price to Public	Underwriting Discounts and Commissions (1)	Proceeds to Issuer (2)
		-----	-----	-----
<S>	<C>	<C>	<C>	<C>
Common Stock	Per Share	\$ 5.00	0.0	\$ 5.00
	Total:	\$3,882,070		\$3,882,070
Retains	Per Unit:	100%	0.0	100%
	Total:	\$5,150,000	0.0	\$5,150,000

<FN>

(1) The securities described in this Prospectus are to be offered and distributed directly by the issuer through officers of Pro-Fac, without the use of any underwriter or dealer, and no discounts, commissions or other compensation are to be allowed or paid therefor.

(2) Before deducting expenses estimated at \$40,212.13.

</FN>

</TABLE>

The date of this Prospectus is , 1997.

Information contained herein is subject to completion or amendment. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. These securities may not be sold nor may offers to buy be accepted prior to the time the registration statement becomes effective. This prospectus shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any State in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such State.

AVAILABLE INFORMATION

Pro-Fac is subject to the informational requirements of the Securities Exchange Act of 1934 and in accordance therewith files reports and other information with the Securities and Exchange Commission (the "Commission"). Reports and other information filed with the Commission can be inspected and copied at the public reference facilities maintained by the Commission at Room 1024, Judiciary Plaza, 450 Fifth Street, NW, Washington, DC and at its regional offices located at 7 World Trade Center (Suite 1300), New York, New York 10048 and at 500 West Madison Street (Suite 1400), Chicago, Illinois 60661. Copies of such material can be obtained from the Public Reference Section of the Commission at Judiciary Plaza, 450 Fifth St., NW, Washington, DC 20549, at prescribed rates. Pro-Fac's Cumulative Preferred Stock is traded on the NASDAQ National Market. Reports and other information concerning Pro-Fac can be inspected at such exchange. Further, the Commission maintains a Web site at <http://www.sec.gov> that contains reports and other information regarding Pro-Fac.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

This Prospectus is accompanied by Pro-Fac's Annual Report on Form 10-K/A-1 for

the fiscal year ended June 28, 1997 and Pro-Fac's Quarterly Report on Form 10-Q for the quarter ended September 27, 1997 both of which are incorporated by reference herein.

REPORTS TO SHAREHOLDERS

Pro-Fac furnishes annual reports to its members and shareholders on Form 10-K/A-1 which contain audited financial statements.

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No dealer, salesman or other person has been authorized to give any information or to make any representations, other than those contained in this Prospectus, in connection with the transactions described herein, and if given or made, such information or representations must not be relied upon as having been authorized by Pro-Fac. This Prospectus does not constitute an offer to sell, or a solicitation of an offer to buy, the securities covered by this Prospectus in any state to any person to whom it is unlawful to make such offer or solicitation in such state. Neither the delivery of this Prospectus nor the distribution of any security covered by this Prospectus shall, under any circumstances, create an implication that there has been no change in the facts herein set forth or in the affairs of Pro-Fac since the date hereof.

SUMMARY OF PROSPECTUS

The following summary is qualified in its entirety and should be read in conjunction with the registrant's Annual Report on Form 10-K/A-1 for the year ended June 28, 1997, which includes more detailed information and financial statements.

Pro-Fac: Pro-Fac is an agricultural cooperative corporation formed in 1960 under New York law to process and market crops grown by its members. Only growers of crops marketed through Pro-Fac (or associations of such growers) can become members of Pro-Fac.

A grower becomes a member of Pro-Fac through the purchase of common stock, which obligates the grower to supply, and Pro-Fac to purchase, crops for delivery to and processing by Agrilink Foods, Inc. (formerly known as "Curtice-Burns Food, Inc.") ("Agrilink" or the "Company"). The principal office of Pro-Fac is at 90 Linden Place, Rochester, New York 14625; its telephone number is (716) 383-1850.

Recent Changes in Relationship with Agrilink: Agrilink Foods, Inc. is a producer and marketer of processed food products, including canned and frozen fruits and vegetables, canned desserts and condiments, fruit fillings and toppings, canned chilies and stews, salad dressings, pickles, peanut butter and snack foods. Pro-Fac and Agrilink were established together in the early 1960s and have had a long-standing contractual relationship in which Pro-Fac provided crops and financing to Agrilink, Agrilink provided a market and management to Pro-Fac, and Pro-Fac shared in the profits of Agrilink.

On November 3, 1994, Pro-Fac acquired Agrilink (the "Acquisition"), and Agrilink became a wholly-owned subsidiary of Pro-Fac. The purchase price and fees and expenses related to the Acquisition were financed with borrowings under a new credit agreement (the "New Credit Agreement") with CoBank, ACB (the "Bank"), and the proceeds of the Company's 12.25 percent Senior Subordinated Notes due 2005 (the "Notes"). Pro-Fac has guaranteed the obligations of the Company under the New Credit Agreement and the Notes. As a result of the indebtedness incurred in

connection with the Acquisition, Agrilink has higher interest expenses than prior to the Acquisition.

The New Credit Agreement and the Notes restrict the amount of dividends and other payments that may be made by Agrilink to Pro-Fac. Such restrictions on the flow of cash to Pro-Fac may affect the ability of Pro-Fac to pay dividends on its common and preferred stock or to repurchase common or preferred stock.

Pro-Fac Securities:

Common Stock. Common stock, par value \$5, is sold for cash at its par value to all growers or associations of growers who become members of Pro-Fac, and ownership of common stock is thus synonymous with membership in Pro-Fac. The common stock investment required of each new member is based upon the nature, location, and quantity of particular crops in particular locations. In determining the level of common stock investment required for a member who desires to market a specified quantity or acreage of a crop through Pro-Fac, the Board of Directors takes into account the expected Commercial Market Value ("CMV") of the crop, the level of interest in marketing that crop through Pro-Fac and other factors. Common stock may only be held by members of Pro-Fac who are growers of crops marketed through Pro-Fac (or by associations of such growers), and may only be transferred with the written consent of Pro-Fac. Any proposed purchaser of outstanding common stock must be a grower willing to assume all of the seller's obligations as a member of Pro-Fac and must be acceptable to the Board of Directors.

Upon the purchase of common stock, a new member of Pro-Fac executes the General Marketing Agreement, which provides for (1) delivery of crops; (2) the availability of facilities for receiving and processing the crops; (3) the operation of a single marketing pool for all crops delivered based upon the establishment of the CMV, as defined, of each crop each year; and (4) the manner of payment by Pro-Fac to its members of the purchase price for delivered crops. Annual crop agreements supplement the General Marketing Agreement by setting forth quality specifications, terms and conditions for the production and delivery of the member's specific crop, and the relative value weighting to be given to raw product by grade category. See "Business of Pro-Fac."

In many cases, the board has permitted the purchase price to be paid in four installments. Under this system, a cash deposit of at least 25 percent of the total price must be paid upon joining Pro-Fac; at that time 25 percent of the shares to be purchased are issued to the grower. The balance due may be paid in three equal annual installments; upon receipt of each payment, 25 percent of the shares to be purchased are issued by Pro-Fac to the grower. A member making his purchase in installments is permitted to market through Pro-Fac the total quantities of product covered by his General Marketing Agreement even before he has purchased the total required number of shares of common stock. Since each Pro-Fac member is entitled to only one membership vote regardless of the number of shares of common stock held, the voting rights of a member are not affected by the purchase of common stock in installments. See "Description of Pro-Fac Securities - Common Stock, Par Value \$5 - Voting Rights." A member is entitled to receive dividends only on shares actually issued to him.

A grower may pay the three annual installments from the proceeds of his crop sales to Pro-Fac or from other funds, as he chooses. He may pay the full amount due at any time prior to the end of the third crop season, except that members are not permitted to make voluntary advance payments for common stock between April 1 and the dividend qualifying date for common stock during any calendar year.

Retains. Retains are issued to reflect the retention by Pro-Fac of a portion of its proceeds, as described below. Patronage proceeds are its gross receipts derived from sources that under federal tax law qualify as patronage income, which is primarily proceeds from the sale of crops supplied by members of Pro-Fac, as well as transactions that facilitate or are directly related to such marketing activities.

Under the bylaws of Pro-Fac, net proceeds from patronage income, if any, must be paid or allocated each year to each member on the basis of the business done by that member with Pro-Fac during the preceding crop year. Distribution may be made in cash or by allocating to the account of each member his interest in that portion of the proceeds retained by Pro-Fac ("retains") for use as working capital or for such other purposes as may be determined by the Board of Directors. Such retains are made up of allocations for which qualified notices have been distributed ("qualified retains") and non-qualified notices of allocations ("non-qualified retains"). Qualified retains are freely transferable and normally mature into Class A Cumulative Preferred Stock at liquidation preference, \$25 per share, in December of the fifth year after allocation. Non-qualified retains may not be sold or purchased and may, in the discretion of the Board of Directors, be redeemed after five years for cash and/or preferred stock. Prior to fiscal 1996, qualified retains were converted into Non-Cumulative Preferred Stock upon maturity, and Non-Cumulative Preferred Stock was used to redeem non-qualified retains. Beginning in fiscal 1996, qualified retains were converted into Class A Cumulative Preferred Stock upon maturity, and Class A Cumulative Preferred Stock was used to redeem non-qualified retains.

In the future, it is the intention of the Board of Directors that retains maturing or redeemed will be converted into or redeemed using Class A Cumulative Preferred Stock. See "Description of Pro-Fac Securities" and "Risk Factors."

Preferred Stock. Until October 1995, all preferred stock issued by Pro-Fac was Non-Cumulative Preferred Stock. On October 10, 1995, Pro-Fac consummated an exchange offer in which shares of Class A Cumulative Preferred Stock ("Cumulative Preferred Stock") were exchanged for outstanding shares of Non-Cumulative Preferred Stock (the "Exchange Offer"). The purpose of the Exchange Offer was to provide stockholders with the opportunity to exchange, on a share-for-share basis, shares of Non-Cumulative Preferred Stock (which are highly illiquid) for shares of Cumulative Preferred Stock (which are traded on the NASDAQ National Market System). Holders of shares of Cumulative Preferred Stock will be entitled to receive, when, as and if declared by the Board, out of assets of Pro-Fac legally available therefor, cumulative cash dividends at a quarterly rate equal to \$0.43 per share (or an annual rate of approximately 6.88% of the liquidation preference of \$25.00 per share). Although the Cumulative Preferred Stock is traded on the NASDAQ National Market system, there can be no assurance that an established and liquid market for the Cumulative Preferred Stock will continue. See "Description of Pro-Fac Securities" and "Risk Factors."

Use of Proceeds: The cash proceeds from the sale of common stock and the cash retained as a result of distributing net proceeds in the form of retains rather than in cash will be used for general corporate purposes as determined by the Board of Directors at the time of receipt. No separate cash proceeds are realized from the issuance of preferred stock that results from the conversion of retains.

Tax Treatment of Amounts Paid or Allocated to Members: Under the federal income tax laws, members of Pro-Fac must include currently in their taxable income calculation the purchase price for their crops, including all cash payments and allocations of qualified retains. Non-qualified retains are not subject to current taxation to the members and are taxable to the members only if and when redeemed by Pro-Fac. See "Business of Pro-Fac."

Benefits of Membership: From the point of view of a member of Pro-Fac there are several advantages that he receives from his membership in Pro-Fac, which include the following:

1. The primary advantage is that the member has an established market for a portion of his crop in advance of the crop season.
2. A member of Pro-Fac can specialize in the production of one or a few crops, which normally tends to increase the efficiency of his operations, yet have the opportunity to participate in the potential benefits of crop and geographical diversity, since he shares in the proceeds of all crops marketed through Pro-Fac in proportion to the value of his own crops marketed through Pro-Fac.
3. Members of Pro-Fac have the satisfaction of knowing that their views will be heard in the Cooperative because all of the directors of Pro-Fac and all of the members of the commodity committees are also grower-members. The members of the commodity committees and all of the directors are also elected by the members of Pro-Fac on a regional basis.
4. Should Pro-Fac or Agrilink need additional crops for an existing operation of Agrilink, qualified members are given the first opportunity to provide those crops.
5. The member obtains the benefit of the expertise of Agrilink in the processing and marketing of food products.
6. Over a period of years, depending on the results of operations, the member has the opportunity to build a substantial equity investment in Pro-Fac retains and preferred stock.
7. The investment of the member in Pro-Fac common stock and the market for his products derived from that investment are transferable, subject to the approval of the Pro-Fac Board of Directors, so that should he want to reduce or terminate his production of crops, he can liquidate his common stock investment through the sale of his shares to an eligible grower or to Pro-Fac itself.

To obtain these advantages the member must:

1. Purchase shares of common stock of Pro-Fac based upon the type, location, and volume of crops he agrees to market through Pro-Fac.
2. Agree to the retention by Pro-Fac of a portion of its proceeds from patronage business above the CMV of crops marketed. For example, in the 1997 and 1995 fiscal years, 75 percent and 80 percent, respectively, of

such proceeds, excluding non-qualified retains, was so retained by Pro-Fac. For the first five years, such amounts are retained without payment of interest or dividends. A member's investment in the retains and Non-Cumulative Preferred Stock of Pro-Fac is relatively illiquid. Recent sales of qualified retains and preferred stock have been at prices substantially below the face amounts thereof.

3. Agree to the delayed payment of a portion of the purchase price for his crops. Such delay will exceed the industry average in many instances.
4. Include in his income for tax purposes not only the cash payments received for his crops but also the amount of qualified retains allocated to his account in that year and any non-qualified retains redeemed in that year.
5. Assume the risk that he may be paid less than CMV for his crops. See "Risk Factors - Member's Share of Proceeds was Less Than CMV in Fiscal 1996" and "Business of Pro-Fac."

RISK FACTORS

Member's Share of Proceeds was Less Than CMV in Fiscal 1996: Payment for crops is based upon the CMV of such crops, which is the weighted average of the prices paid by other commercial processors for similar crops used for similar or related purposes sold under pre-season contracts or in the open market in the same or similar market areas. There is no relationship between the CMV of crops and the cost of producing such crops since CMV is determined by supply and demand in the marketplace.

While Agrilink has agreed to pay to Pro-Fac at least the CMV of Pro-Fac crops, the total proceeds of Pro-Fac depend in large part on the overall profitability of Agrilink. There can be no assurance that payment by Pro-Fac to a member for his crops from the proceeds of Pro-Fac will be equal to or greater than the CMV of those crops.

Although prior to the Acquisition the members of Pro-Fac were paid more than CMV for their crops in every year of Pro-Fac operations except 1963, 1969, and 1970, the increased indebtedness incurred in connection with the Acquisition increased the leverage and interest expense of Agrilink, thus, increasing the risk that Pro-Fac would, in one or more future years, pay members less than the CMV of their crops. In fiscal 1996, members were paid only 90 percent of the CMV of their crops. The decreased payments to members resulted, in part, from an operating loss at the Company caused primarily by operational issues at Nalley, which have been addressed, and depressed vegetable pricing, which affected the entire industry.

Delayed Payments for Crops: Pro-Fac members receive delayed payment of a portion of the purchase price for their crops. The delay exceeds the industry average in some instances. See "Business of Pro-Fac - Marketing of Members' Crops - Timing of Payments for Crops" and "- Harvest-Time Advance."

Inclusion of Certain Payments in Taxable Income: A member of Pro-Fac must include in his taxable income for federal income tax purposes his share of the net proceeds of Pro-Fac realized from patronage business which are paid to him in cash and allocated to his account as qualified retains. Non-qualified retains are included in the member's taxable income only upon redemption. See "Business of Pro-Fac."

Increase in Leverage of Agrilink: As a result of the Acquisition, Agrilink is more leveraged, and such leverage may increase or decrease in the future. The degree to which the Company is leveraged is important to members of Pro-Fac because the amount paid by Agrilink for crops supplied by Pro-Fac, and the amount of dividends that Agrilink may pay to Pro-Fac, varies depending upon the profitability of Agrilink. Such payments, in turn, affect what Pro-Fac may pay to its members for their crops and the ability of Pro-Fac to pay dividends on, or repurchase, its common and preferred stock. A high degree of leverage may make Agrilink more vulnerable to economic downturns, may limit its ability to withstand competitive pressures, and may impair the Company's ability to obtain financing in the future for working capital, capital expenditures, and general corporate purposes.

Non-Transferability of Non-Qualified Retains: Non-qualified retains are non-transferable and do not bear interest. See "Description of Pro-Fac Securities."

Absence of Market for Non-Cumulative Preferred Stock and Qualified Retains: The Non-Cumulative Preferred Stock and qualified retains of Pro-Fac may be transferred without the consent of Pro-Fac. There were, for several years preceding the Acquisition, broker-dealers making a limited market in Pro-Fac Non-Cumulative Preferred Stock and qualified retains, but no such market

currently exists. There is no assurance that these arrangements, or any other organized market for Pro-Fac Non-Cumulative Preferred Stock and qualified retains, will be re-established. The purpose of the Exchange Offer was to provide stockholders with the opportunity to exchange, on a share-for-share basis, shares of Non-Cumulative Preferred Stock (which are highly illiquid) for shares of Cumulative Preferred Stock (which are traded on the NASDAQ National Market System. Pro-Fac permits holders to exchange Non-Cumulative Preferred Stock for Cumulative Preferred Stock on a share-for-share basis at certain times during the year. See "Description of Pro-Fac Securities."

Possible Changes of Treatment of Retains: The current policy of Pro-Fac with regard to the maturing of qualified retains into preferred stock and the redemption of non-qualified retains for preferred stock and/or cash is described in this Prospectus under "Description of Pro-Fac Securities." This policy is, however, subject to change, in the discretion of the Board of Directors.

Common Stockholders Receive Only One Vote Regardless of Shares Owned: Each member of Pro-Fac has one vote, regardless of the number of shares of common stock held. Further, if two or more members are joined in a single farming enterprise, the participating members receive only a single vote. Accordingly, even a member with substantial holdings of common stock will have relatively little control over the election of directors or other matters on which members may vote. See "Description of Pro-Fac Securities."

Possible Discontinuance of Crop: Pro-Fac continuously reviews the ability of its members to produce high-quality crops, and Agrilink continuously reviews its ability to process and market profitably the crops it buys from Pro-Fac. As a result of such reassessment, Pro-Fac may determine to cease marketing a particular crop and terminate the marketing agreements of the members producing that crop for sale through the Cooperative. The members affected would be required to sell all of their common stock supporting that crop to Pro-Fac for cash at its par value, plus any accrued dividends. Pro-Fac may also adjust the quantity of a crop to be marketed for members, either permanently or temporarily, in several ways described herein under "Business of Pro-Fac Marketing of Members' Crops - Quantity of Crops Marketed." Permanent increases or decreases in the quantity of a crop to be marketed would involve, respectively, the purchase of additional common stock by members or other growers, or the sale of common stock by members to Pro-Fac at par value, plus any accrued dividends.

Agricultural Risks: Agrilink and Pro-Fac and its members are subject to all the risks generally associated with production and marketing of agricultural commodities. The vegetable portion of the business can be positively or negatively affected by weather conditions nationally and the resulting impact on crop yields. Favorable weather conditions can produce high crop yields and an oversupply situation. This results in depressed selling prices and reduced profitability on the inventory produced from that year's crops. Excessive rain or drought conditions can produce low crop yields and a shortage situation. This typically results in higher selling prices and increased profitability. While the national supply situation controls the pricing, the supply can differ regionally because of variations in weather.

Competition in Food Processing Industry: The products of Agrilink, including those processed from crops supplied by Pro-Fac, compete with those of national and major regional food processors under highly competitive conditions. Many national manufacturers have substantially greater resources than Agrilink and Pro-Fac.

Proceeds Not Committed to Specific Purposes: The securities offered by Pro-Fac are issued on a continuing basis as part of the normal operations of Pro-Fac and not to raise funds for any specific purpose. All determinations concerning the use and investment of the proceeds will be made by the Board of Directors of Pro-Fac. The members of Pro-Fac will not have the opportunity to evaluate any use to which the proceeds may be put.

USE OF PROCEEDS

The securities offered hereunder are issued on a continuing basis as part of the normal operations of Pro-Fac and are not offered to raise funds for any specific purpose. As described more fully elsewhere herein, common stock is sold from time to time to new members of Pro-Fac or to members who increase the quantity of crops marketed through Pro-Fac. Retains are issued annually to represent net proceeds from patronage business retained by Pro-Fac. The cash retained as a result of distributing net proceeds in the form of retains rather than in cash is transferred to Agrilink and is used for general corporate purposes, such as the financing of fixed assets and the reduction of short or long-term borrowings, as determined by the Board of Directors at the time of receipt. No separate cash proceeds are realized from the issuance of preferred stock, which is issued only upon the maturing of outstanding retains and replaces those retains on the books of the Cooperative.

<TABLE>

RATIO OF EARNINGS TO FIXED CHARGES AND
PREFERRED DIVIDENDS

<CAPTION>

	June 26, 1993	June 25, 1994	Fiscal Year Ended June 24, 1995	June 29, 1996	June 28, 1997
<S>	<C>	<C>	<C>		<C>
Ratio of earnings to fixed charges and preferred dividends	(A)	2.2	1.5	(A)	1.1
Pro forma ratio of earnings to fixed charges and preferred dividends	(B)	1.7	1.3	(B)	(B)

<FN>

(A) In the fiscal year ended June 26, 1993 and June 29, 1996, the earnings were inadequate by \$22,877,000 and \$23,977,000, respectively, to cover the amount of pretax fixed charges and preferred dividends.

(B) In the fiscal years ended June 26, 1993, June 29, 1996, and June 28, 1997, the earnings were inadequate by \$27,268,000, \$30,677,000, and \$2,951,000, respectively, to cover the amount of pretax basis fixed charges and preferred dividends which would have been declared and paid if all retained earnings allocated to members' "retains" at the end of each fiscal period had been converted to preferred stock at the beginning of the period at the maximum dividend permitted by law.

</FN>

</TABLE>

For purposes of computing the ratio of earnings to fixed charges and preferred dividends, earnings consist of net proceeds before (1) equity in the undistributed earnings of the Bank, (2) fixed charges, (3) income taxes, and (4) dividends on common and preferred stock.

Fixed charges represent total interest expense. For purposes of this computation, preferred dividends are adjusted to a pretax basis (the amount of earnings before taxes necessary to meet preferred stock dividend requirements). Dividends represent those amounts deducted for purposes of determining net proceeds in each fiscal year.

The pro forma ratios of earnings to fixed charges and preferred dividends were computed by further increasing combined fixed charges and such dividends, adjusted to a pretax basis, by the amount of pretax basis preferred dividends which would have been declared and paid if all retained earnings allocated to members' "retains" at the end of each fiscal period had been converted to preferred stock at the beginning of the respective periods and the maximum dividend permitted by law of 12 percent of par value was declared and paid thereon.

BUSINESS OF PRO-FAC

Pro-Fac's approximately 600 members are growers located principally in New York, Pennsylvania, Illinois, Michigan, Washington, Oregon, Iowa, Nebraska, Florida, and Georgia. A grower becomes a member of Pro-Fac through the purchase of common stock, which obligates the grower to supply, and Pro-Fac to purchase, crops. Crops grown by Pro-Fac members and purchased by Pro-Fac include

fruits (cherries, apples, blueberries, peaches and plums), vegetables (snap beans, beets, cucumbers, peas, sweet corn, carrots, cabbage, squash, asparagus, potatoes, turnip roots and leafy greens) and popcorn. All of the crops supplied to Pro-Fac by its members are sold to Agrilink.

Membership: Membership in Pro-Fac is evidenced by the ownership of Pro-Fac common stock. Hence the terms "member" and "common stockholder" are synonymous. Only producers (or associations of producers) of agricultural products marketed through Pro-Fac are eligible to become members and to own common stock of Pro-Fac. See "Summary of Prospectus - Pro-Fac Securities - Common Stock."

Regional Representation: The business of Pro-Fac is conducted pursuant to policies established by its Board of Directors. The territorial area in which Pro-Fac operates has been divided into geographical regions based on natural divisions of product and location. In addition, some regions have been further divided into districts. The members within each region or district are represented on the Board by at least one director. The board designates the number of directors to be elected from each region or district, based on the value of raw product delivered, so as to attain reasonably balanced representation on the Board. At present, there are five regions of Pro-Fac covering the following areas and represented by the number of directors indicated:

<TABLE>

Region	Area	Present Number Directors
I (Dist. 1)	Western Upstate New York	2
(Dist. 2)	Eastern Upstate New York	2
(Dist. 3)	Pennsylvania and Maryland	1
II (Dist. 1)	Michigan	3
(Dist. 2)	Illinois	1
III	Iowa and Nebraska	1
IV	Washington and Oregon	1
V	Georgia and Florida	1

</TABLE>

In addition to the 12 directors elected by the members of Pro-Fac within these five membership regions, the Board of Directors of Pro-Fac is permitted to appoint up to one-fifth of the total number of directors to represent primarily the interest of the general public in Pro-Fac, although, at present only these 12 elected directors constitute the entire board.

Commodity Committees: A commodity committee has been established for each of the major crops marketed through Pro-Fac. Each committee member is a member of Pro-Fac who grows and markets through Pro-Fac the crop with which his committee is concerned. Under current policies, where a crop is produced in different geographical areas, commodity committees are established either for separate geographical areas or for a combination of areas. Members of each commodity committee are elected by the members of Pro-Fac in the region(s) for which the committee serves.

The commodity committees have been active in advising the Board of Directors of Pro-Fac as to numerous matters affecting Pro-Fac crops, particularly with regard to the determination of CMV as hereinafter described and the content of the annual crop agreements, which specify the terms under which crops will be grown, harvested and delivered.

MARKETING OF MEMBERS' CROPS -

General Marketing Agreement: Each member of Pro-Fac enters into a marketing agreement with Pro-Fac (the "General Marketing Agreement"), in which he appoints Pro-Fac as his exclusive agent for processing and marketing the portion of his crop committed under the General Marketing Agreement and under annual crop agreements. In the General Marketing Agreement, Pro-Fac agrees to make available, through its agreement with Agrilink, facilities for receiving and processing the crops delivered by its members and the management personnel to operate such facilities and to market the crops of its members as processed food products.

Passage of Title to Crops: Upon delivery of a member's crops to Pro-Fac, Pro-Fac takes title to such crops and has the right to transfer, process, or encumber them as it sees fit, subject to the provisions of the General Marketing Agreement. A member delivering crops to Pro-Fac has no control over such crops following delivery. Prior to delivery to Pro-Fac, each member bears all risk of loss or damage to his crops.

Quantity of Crops Marketed: Ordinarily, the quantity of a crop to be delivered by a member of Pro-Fac in any year is the quantity previously established in the General Marketing Agreement and the Application for Membership or Additional Stock Subscription, this being the quantity of raw product supported by the member's common stock ownership. For crops subscribed on a tonnage basis, members deliver 111 percent of the stock commitment. There are several ways, however, in which this quantity may be changed.

If Pro-Fac determines that a permanent change is required in the total quantity of a particular crop marketed through it, a corresponding change in the common stock of the members producing that crop will be required. If additional quantities of the crop are required, additional common stock will be offered to growers of the crop, with qualified current members of Pro-Fac in the area where the crop is needed given the first opportunity to purchase the stock. If a reduction in the quantity of a crop is required, the common stock holdings of all Pro-Fac members delivering that crop will be proportionately reduced; see "Risk Factors - Possible Discontinuance of Crop."

If a change in total crop requirement is determined to be only temporary, adjustment of common stock holdings will not be required. If additional quantities are temporarily required, Pro-Fac offers the opportunity to deliver

them to qualified current members growing the crop, on a pro rata basis. If a temporary reduction in a crop is required, Pro-Fac may temporarily pro-rate downward the quantity of the crop delivered by all members supplying it.

If the deliveries of a crop are temporarily pro-rated downward, the members affected may, with the approval of the Board of Directors, be offered the opportunity to sell their excess common stock to Pro-Fac. A member choosing to do so would incur a permanent reduction in the amount of crop he is entitled to deliver to Pro-Fac.

Pro-Fac crops under stock tonnage are subscribed for 90 percent of Agrilink normal required raw product needs. The difference between the normal stock tonnage and the normal required raw product need of Agrilink becomes part of the member's delivery obligation. The tonnage will be paid for by Pro-Fac and qualify for net proceeds distribution. No additional investment is required from the member. This results in an increase of 11 percent to a member's agreed to seasonal tonnage.

Agent Growers: If a member is temporarily unable to fulfill his production obligation to Pro-Fac, either in whole or in part, he may secure another grower or growers to act as his agent in growing and delivering the crop to Pro-Fac. An agent grower arrangement should be consummated prior to the planting season for the crop concerned. An agent grower may, but need not, be a member of Pro-Fac. All payments, including the allocation of retains, made by Pro-Fac for crops delivered by an agent grower will be made directly to the agent grower. A member may not utilize an agent grower to fulfill his production obligation to Pro-Fac more frequently than one out of any two consecutive years without subjecting himself to the mandatory transfer of his excess common stock.

Payments Received from Agrilink; CMV: Payment for crops is initially made by Agrilink to Pro-Fac (and by Pro-Fac to its members) on the basis of CMV. CMV is determined by a committee established jointly by the Board of Directors of Pro-Fac and Agrilink ("Joint Board CMV Committee") consisting of two members appointed by the president of Pro-Fac, two members appointed by the chairman of Agrilink, and the president of Agrilink. In making that determination, the Joint Board CMV Committee acts on the basis of data supplied primarily by Agrilink concerning pre-season contracts and open market purchases for various crops; however, it also relies significantly upon the advice of the commodity committee for each of the various crops marketed through Pro-Fac. Because the members of the commodity committees are growers of the crops with which they are concerned, and because those growers, like other growers who are members of Pro-Fac, frequently sell crops to processors outside of Pro-Fac, members of the commodity committees are familiar with prices paid by other commercial processors for crops similar to those sold and marketed through Pro-Fac.

Payment of Purchase Price to Members: As a cooperative corporation subject to the provisions of the Internal Revenue Code of 1986, as amended, Pro-Fac may retain for working capital a portion of the proceeds received in payment for crops while currently deducting for tax purposes the amount of such retained earnings that is annually allocated to its members as qualified retains. In order to retain and deduct such amounts, Pro-Fac must give a qualified written notice of allocation of such amount to each member; the bylaws of Pro-Fac provide that such notices may contain such terms and conditions as the Board of Directors deems appropriate, but the allocation must be made within 8-1/2 months following the end of the fiscal year. Each member must also consent to take his entire allocation of qualified retains into income for tax purposes at its stated dollar amount, and Pro-Fac must pay in cash at least 20 percent of each member's share of such proceeds. Retains as to which Pro-Fac issues a non-qualified written notice of allocation are excluded from these provisions. The earnings retained by Pro-Fac in this fashion are discussed more fully under "Description of Pro-Fac Securities."

The bylaws of Pro-Fac, which are incorporated into the General Marketing Agreement, require Pro-Fac annually to pay or account to its members for their crops, on a cooperative basis, in cash and through such allocations of retains as the Board of Directors may determine. Over the past four out of five years Pro-Fac has paid to its members the full CMV of all of their products marketed through Pro-Fac. The patronage proceeds of Pro-Fac above CMV in those years have, after payment of dividends on capital stock, partly been paid in cash to members and partly retained by Pro-Fac and credited to an account allocated to each member by Pro-Fac. In fiscal 1996, members' cash payments for CMV were reduced by 10 percent. The percentages of CMV paid in cash or allocated to members as retains over the last five fiscal years are as follows:

<TABLE>

	Fiscal Year Ended June				
	1993	1994	1995	1996	1997
	----	----	----	----	-----
<S>	<C>	<C>	<C>	<C>	<C>
Paid in cash	101.8%	105.3%	102.6%	90.0%	101.7
Allocated as qualified retains	7.0	21.0	10.6	0.0	5.2
Allocated as non-qualified retains	1.0	2.9	0.5	0.0	0.0

Total	----- 109.8% =====	----- 129.2% =====	----- 113.7% =====	----- 90.0% =====	----- 106.9% =====
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Timing of Payments for Crops: Agrilink is obligated to pay Pro-Fac the purchase price for crops sold under the Marketing Agreement at such time or times as may be necessary to permit Pro-Fac to make required payments to its members. The actual CMV of a crop cannot ordinarily be determined until well after the harvest, so initial payments are based upon estimated CMV, which is the final CMV established for the crop in the prior year, unless the Board of Directors determines that average industry prices have changed significantly since that time.

As soon as payments for particular crops are received from Agrilink, Pro-Fac pays the funds received over to the members who delivered those crops. Thus, with minor variations, the purchase price is then paid by Pro-Fac to the members in accordance with a long-established schedule, as follows: 50 percent of estimated CMV is paid not later than 30 days after completion of delivery of a particular crop, and another 25 percent of estimated or established CMV is paid not later than 120 days after the average date of final delivery for each crop. The balance of CMV is paid not later than July 15 of the following calendar year. Any payments in addition to CMV are made as soon as possible, but in any event within 8-1/2 months following the end of the fiscal year.

For example, a member of Pro-Fac who delivered crops with a CMV of \$10,000 to Pro-Fac for marketing on August 1, 1996 was paid or allocated a total of \$10,170 for those crops. Of this amount, he was paid \$10,000 (CMV) in cash in three installments based on the following schedule of payments from Agrilink: \$5,000 by August 30, 1996, \$2,500 by November 30, 1996 (assuming this member's date of final delivery coincides with the average date of final delivery for the same crop), and \$2,500 by July 15, 1997. In addition, as soon as the necessary computations could be made, but before March 15, 1998 (8-1/2 months after fiscal year end) and final payment was received from Agrilink, he was paid an additional \$170 (25 percent of the \$690 earned over CMV, excluding non-qualified retains, if any) in cash, while \$520 (the remaining 75 percent of the earnings over CMV, excluding non-qualified retains, of which there were none for fiscal 1997) was retained by Pro-Fac and allocated to his account as qualified retains. See "Description of Pro-Fac Securities."

Harvest Time Advance: Recognizing the costs involved in harvesting and delivering a crop, Pro-Fac has adopted a policy of offering harvest time cash advances to members. The terms and conditions governing such advances are specified in the annual crop agreements. Payment of the harvest time advance is usually made approximately one week after delivery of a crop, and the total amount of the advance may not exceed 50 percent of estimated CMV. The harvest time advance is repaid by deducting the amount of the advance from the first payment due the member for the crop.

Single Pool: Under the General Marketing Agreement, Pro-Fac is required to account for its earnings under what is generally referred to as the single pool concept, in part because that portion of the purchase price for crops received from Agrilink which is in excess of CMV is not allocated to individual Pro-Fac crops, but rather is a single payment based on the profitability of a variety of products. Under the single pool system, a determination is made as to the earnings of all crops in the aggregate. In the above example, the total purchase price for crops paid or allocated to the hypothetical member was 6.9 percent over the CMV of the crops which he delivered to Pro-Fac. The payment to him of \$10,000 in cash was based upon the CMV of the particular crops he delivered, but the 6.9 percent earned above that was based upon the aggregate earnings of all Pro-Fac crops delivered in fiscal 1997 (1996 Production Year), computed in a single pool. The prices paid to members of Pro-Fac for their crops are therefore related both to the CMV of those crops and to the aggregate profitability of all Pro-Fac crops determined under the single pool concept.

Tax Matters: As a cooperative, Pro-Fac is taxed under Subchapter T of the Internal Revenue Code of 1986, as amended (the "Code"), which imposes regular corporate income tax rates on cooperatives but at the same time allows cooperatives to deduct from taxable income for federal income tax purposes certain deductions which are not available to other business corporations. In particular, under Subchapter T a cooperative may deduct from its taxable income all amounts which are paid to its members and other patrons as patronage dividends (either in cash or through the allocation of amounts retained by the cooperative and represented by qualified written notices of allocation) with respect to patronage occurring during the taxable year.

In general, the payments from earnings of a cooperative to its members in the form of cash and qualified retains constitute patronage dividends within the meaning of Subchapter T. Members and other patrons of a cooperative must agree to include in their taxable income in the year received all amounts of patronage

dividends paid in cash or allocated to their accounts as qualified retains. Patronage income allocated by a cooperative to its members in the form of non-qualified retains is taxable at the cooperative level when such retains are issued. In the year in which non-qualified retains are redeemed by a cooperative, the cooperative receives a tax deduction in the amount of the retains which are redeemed. Members and other patrons of the cooperative must agree to include in their taxable income in the year of redemption any non-qualified retains redeemed by the cooperative. Non-patronage-sourced income of a cooperative is subject to federal income tax at the cooperative level.

Under the current agreements in effect between Agrilink and Pro-Fac, payments are made by Agrilink for the crops of Pro-Fac members. Such payments, in part, are based upon the earnings of Agrilink derived from products processed from the crops supplied by Pro-Fac. These payments are classified and reported by Pro-Fac for federal income tax purposes as patronage-sourced income. Because there are few guidelines in this area of law, such classification and reporting has in the past led to audit disputes with the Internal Revenue Service (the "IRS"). The IRS clarified its position in a technical advice memorandum to Pro-Fac on September 23, 1991. While changes have occurred in the relationship of Pro-Fac with Agrilink since the issuance of the technical advice memorandum, the contractual relationship between the two companies, requiring the payments based upon the earnings of Agrilink, remain substantively the same as when the technical advice memorandum was issued. As such, Pro-Fac has continued to treat payments based upon the earnings of Agrilink as patronage-sourced income. In January 1995, the Boards of Directors of Agrilink and Pro-Fac approved appropriate amendments to the Bylaws of Agrilink to allow Agrilink to qualify as a cooperative under Subchapter T of the Code. In August 1995, Agrilink and Pro-Fac received a favorable ruling from the IRS approving the change in tax treatment effective for fiscal 1996. This ruling also confirmed that the change in Agrilink's tax status would have no effect on Pro-Fac's ongoing treatment as a cooperative under Subchapter T of the Code. Based on the foregoing, Harris Beach & Wilcox, LLP is of the opinion that payments to members of Pro-Fac based upon earnings of Agrilink continue to constitute patronage-sourced income pursuant to Subchapter T of the Code. In the event, however, the IRS changes the classification and reporting of the patronage-sourced income by Pro-Fac, additional income taxes and interest could be assessed as a result of the reclassification of income reported as patronage-sourced income to non-patronage-sourced income.

From time to time various proposals have been made and bills introduced in Congress which would have the effect of modifying or eliminating the present provisions of the Code pursuant to which cooperatives are taxed and could subject cooperatives to greater federal income tax liability. It is not possible to predict whether any such proposal may be adopted, or if adopted what effect it might have on the federal income tax liability of Pro-Fac or its members.

In addition, from time to time the IRS issues revenue rulings, revenue procedures, and other official statements, which may be either prospective or retrospective in application, by which it seeks to interpret and administer the provisions of the Code applicable to cooperatives. It is also impossible to predict the effect which any administrative interpretations which may be adopted in the future would have on the federal tax liability of Pro-Fac or its members.

DESCRIPTION OF PRO-FAC SECURITIES

COMMON STOCK, PAR VALUE \$5 -

Dividend Rights: After all required dividends have been declared and paid to the holders of preferred stock, dividends may be declared and paid to the holders of common stock. Under present law, dividends on common stock may not exceed 12 percent of par value per annum. Persons who purchase common stock in installments are entitled to receive dividends only on those shares of common stock which have been issued to them.

Voting Rights: The holders of common stock are members of Pro-Fac. Each member has one vote, regardless of the number of shares held. The one-vote-per-member rule is subject to certain limitations where, for estate planning, tax planning or other reasons, more than one member is part of the same farm operation. The certificate of incorporation of Pro-Fac provides that, when two or more holders of common stock join in an agricultural venture, the Board of Directors in its discretion shall determine whether the venture is a single enterprise for which the participating holders shall have a single vote or a multiple enterprise entitling the holders to more than one vote.

Liquidation Rights: Upon dissolution or other termination of Pro-Fac or its business, after the payment of all debts, all outstanding retains (see "Retains," below) are to be retired in full, on a pro-rata basis without priority, before any liquidating dividends are declared on or with respect to capital stock.

After payment to holders of all outstanding retains, holders of preferred stock are entitled to receive, out of the funds then remaining, the full liquidation preference of their stock, together with the amount of such dividends as may have been declared but remain unpaid. After payment to the holders of preferred

stock, holders of common stock are entitled to receive the par value thereof, together with the amount of such dividends as may have been declared but remain unpaid.

To summarize, the order of priority upon distribution of assets in dissolution is as follows:

1. First to creditors;
2. Then to redeem outstanding retains at full face value.
3. Then to redeem preferred stock at liquidation value;
4. Then to redeem common stock at par;
5. With the remainder distributed proportionately to the members to whom retains have been allocated during the preceding five fiscal years.

Preemptive Rights: Holders of common stock have no preemptive rights.

Conversion Rights: Common stock is not convertible into any other security of Pro-Fac.

Redemption Provisions: If a member ceases to be a producer of agricultural products marketed through Pro-Fac, he must dispose of his common stock. If the member follows the proper termination procedure and gives the required notice, Pro-Fac will ordinarily purchase his stock at par value. The same procedure will ordinarily apply when a member is expelled from the Cooperative or reduces his production of a particular crop, in which cases all or part of his common stock must be disposed of. Should Pro-Fac discontinue a crop, producers of that crop will be required to dispose of their related common stock investments. Upon notice from the Cooperative, members must sell such stock to Pro-Fac for cash equal to its par value.

Liability to Further Assessment: Shares of Pro-Fac common stock are subject to no further call or assessment. Under the New York Cooperative Corporations Law, however, each member of a cooperative corporation, as well as each director, may be personally liable for certain amounts due to employees for services rendered to the Cooperative.

Transfer Agent: Pro-Fac functions as its own transfer agent.

Transferability: Pro-Fac common stock is issued only to growers of agricultural products marketed through Pro-Fac (or to associations of such growers) and may be transferred only to another grower who meets Pro-Fac standards for membership. A member who wishes to sell his common stock must notify Pro-Fac, which then advises the member of the price another qualified grower acceptable to Pro-Fac is willing to pay for the stock. Such prices vary widely by commodity and the region in which the crop associated with the common stock is to be grown. Such sales are often at a price exceeding the \$5 par value at which the stock was originally issued. Historically, there has usually been a demand for common stock offered for sale by members. However, should there be no qualified buyer for the common stock offered for sale, then Pro-Fac is obligated to repurchase the common stock at its \$5 par value.

PREFERRED STOCK -

On January 28, 1995, the members of Pro-Fac approved an amendment to Pro Fac's Certificate of Incorporation to authorize the issuance of an additional 50 million shares of preferred stock, divided into five classes (Classes A through E) of 10 million shares each. As a result of the amendment, the Board continues to be authorized to issue up to 5 million shares of Non-Cumulative Preferred Stock and is authorized to issue up to 50 million shares of new preferred stock at such times, for such purposes, on such terms and for such consideration as the Board may determine, without further action of the members.

The Board is authorized to provide for the issuance, from time to time, of any such new preferred stock in one or more designated series, and to fix the terms of each such designated series of shares. In establishing the terms of the series of new preferred stock, the Board is authorized to set, among other things, the number of shares, the dividend rate and preferences, the form or method of payment of dividends, the cumulative or non-cumulative nature of dividends, redemption provisions (if any), including any mandatory scheduled redemptions, the right (if any) to convert or exchange such preferred shares for other securities, voting rights (if any), in addition to any required by applicable law, and the amounts payable, and preferences, in the event of the voluntary or involuntary liquidation of Pro-Fac. Each series of new preferred stock will, in respect of dividends and liquidation, rank senior to Pro-Fac's common stock, par value \$5.00 per share (the "Common Stock"), and on a parity with or junior to the Non-Cumulative Preferred Stock, as determined by the Board at the time of issuance of such series. Within any class of the new preferred stock, each series will rank on a parity with each other series in that class as to dividends and liquidation.

In June 1995, the Board approved the creation of a new series of preferred

stock, to be designated Class B, Series 1 10% Cumulative Preferred Stock ("Series 1 Preferred Stock"), for issuance to employees of the Company pursuant to an employee stock purchase plan. Pursuant to the plan, shares of Series 1 Preferred Stock are being offered to employees of the Company for a purchase price of \$10.00 per share. Holders of Series 1 Preferred Stock are entitled to receive, when, as and if declared by the Board, cumulative cash dividends at an annual rate of \$1.00 per share. Pro-Fac plans to offer to repurchase at least 5 percent of the outstanding shares of Class B Stock annually.

In August 1995, in connection with the Exchange Offer, the Board approved the creation of the Cumulative Preferred Stock as an additional new series of preferred stock. See "Summary of Prospectus - Pro-Fac Securities - Preferred Stock."

Ranking: The Cumulative Preferred Stock ranks as to dividends and upon liquidation, dissolution and winding up on a parity with the Non-Cumulative Preferred Stock, the Series 1 Preferred Stock, and any other series of Class A Preferred Stock or Class B Preferred Stock ("Class A or B Series Preferred Stock") of Pro-Fac, and ranks as to dividends or upon liquidation, dissolution or winding up, or both, on a parity with any other class or series of capital stock that expressly provides that it ranks on a parity with the Cumulative Preferred Stock with respect to dividends or upon liquidation, dissolution and winding up, as the case may be (collectively, "Parity Dividend Securities" or "Parity Liquidation Securities"). The Cumulative Preferred Stock ranks senior with respect to dividends and upon liquidation, dissolution and winding up to the Common Stock and any other capital stock (other than the Non-Cumulative Preferred Stock, Series 1 Preferred Stock and Class A or B Series Preferred Stock) that does not, by its terms, expressly provide that it is senior to or on a parity with the Cumulative Preferred Stock with respect to dividends or upon liquidation, dissolution and winding up, as the case may be (collectively, "Junior Dividend Securities" or "Junior Liquidation Securities").

Dividends: Holders of shares of Cumulative Preferred Stock are entitled to receive, when, as and if declared by the Board, out of assets of Pro-Fac legally available therefor, cumulative cash dividends at a quarterly rate equal to \$0.43 per share (or an annual rate of approximately 6.88% of the liquidation preference of \$25.00 per share). Dividends on the Cumulative Preferred Stock are payable quarterly in arrears on each April 30, July 31, October 31, and January 31 of each year. Each such dividend is payable to holders of record as they appear on the stock records of Pro-Fac at the close of business on each April 15, July 15, October 15, and January 15 preceding such dividend payment date, or such other record dates as selected by the Board, which are not more than 50 days prior to such payment date. Dividends are cumulative from each dividend payment date, whether or not in any dividend period or periods there are assets of Pro-Fac legally available for the payment of such dividends.

Accumulations of dividends on shares of Cumulative Preferred Stock do not bear interest. Dividends payable on the Cumulative Preferred Stock for any period greater or less than a full dividend period are computed on the basis of 360-day year consisting of twelve 30-day months.

Dividends on the Non-Cumulative Preferred Stock are not in a fixed amount, but instead are at such rate (not less than 6% per annum) as the Board of Directors may determine (as and when declared by the Board of Directors out of legally available funds). Although the Board of Directors has in the past declared dividends based on Pro-Fac's cost of funds, the dividend for fiscal 1996 was at an annual rate of 6 percent, and Pro-Fac expects that future dividends on the Non-Cumulative Preferred Stock will not exceed the minimum rate of 6 percent. Dividends on the Non-Cumulative Preferred Stock are not cumulative.

As described under "Ranking" above, the Cumulative Preferred Stock, the Non-Cumulative Preferred Stock and the Series 1 Preferred Stock, Class A, are all Parity Dividend Securities. To declare and pay full dividends for a period with respect to any of the Parity Dividend Securities, Pro-Fac must declare and pay full dividends for the applicable period on all Parity Dividend Securities. To declare and pay less than full dividends for a period with respect to any of the Parity Dividend Securities, Pro-Fac must declare and pay pro rata dividends on all Parity Dividend Securities. In calculating the pro rata share of dividends to be paid with respect to each class of preferred stock, unpaid dividends for prior periods are considered only with respect to classes of preferred stock with cumulative dividends.

Pro-Fac may not declare, pay or set apart for payment any dividend (other than certain stock dividends) on any of the Junior Dividend Securities or make any distribution in respect thereof unless full cumulative dividends on the Cumulative Preferred Stock, the Series 1 Preferred Stock, and Class A and B Series Preferred Stock have been or are contemporaneously declared and the corresponding portion of the current annual dividend on the Non-Cumulative Preferred Stock is declared as described in the preceding paragraph.

Pro-Fac is also subject to certain limitations on payment of dividends under the terms of its financing agreements.

Preemptive Rights: The holders of the Cumulative Preferred Stock will not have any preemptive rights.

Redemption: Pro-Fac has the right, at any time and from time to time, to redeem the Cumulative Preferred Stock, in whole or in part, at the redemption price of \$25.00 per share, plus, in each case, all dividends accrued and unpaid on the Cumulative Preferred Stock up to the date fixed for redemption, upon giving notice at least 30 but not more than 60 days before the date fixed for redemption. If fewer than all of the outstanding shares of Cumulative Preferred Stock are to be redeemed, the shares to be so redeemed will be selected pro rata or by lot, except that Pro-Fac reserves the right to first redeem all of the shares held by any holder of a number not to exceed 100.

From and after the redemption date (except to the extent Pro-Fac defaults in the payment of the redemption price), all dividends on the shares of Cumulative Preferred Stock designated for redemption will cease to accrue, and all rights of the holders thereof as stockholders of Pro-Fac, except the right to receive the redemption price thereof, will cease and terminate.

The Cumulative Preferred Stock is not subject to any sinking fund or other binding obligation of Pro-Fac to redeem or retire the Cumulative Preferred Stock. Unless redeemed by Pro-Fac, the Cumulative Preferred Stock will have perpetual maturity.

During a limited period between 1984 and 1993, Pro-Fac repurchased small portions of the Non-Cumulative Preferred Stock at its par value. Those repurchases were at the sole discretion of Pro-Fac. Pro-Fac has not offered to repurchase any Non-Cumulative Preferred Stock since its fiscal year ended 1993 and has no intention to do so in the near future. Pro-Fac also is restricted in its ability to redeem shares of its capital stock under the various financing obligations entered into to finance the Acquisition.

Restriction on Certain Stock Acquisitions: Pro-Fac may not purchase, redeem or otherwise acquire for consideration (other than in a repurchase of Common Stock of a departing member pursuant to Pro-Fac's Bylaws or in certain recapitalizations, exchanges or refinancings) any Cumulative Preferred Stock, Parity Dividend Securities (including the Non-Cumulative Preferred Stock, the Series 1 Preferred Stock, and Class A and B Series Preferred Stock), Parity Liquidation Securities, Junior Dividend Securities or Junior Liquidation Securities unless full cumulative dividends on the Cumulative Preferred Stock, the Series 1 Preferred Stock, and the Class A and B Series Preferred Stock have been or are contemporaneously declared and the corresponding portion of the current annual dividend on the Non-Cumulative Preferred Stock is declared as described above.

Liquidation: After payment to holders of all outstanding retains, the holders of the Cumulative Preferred Stock will be entitled to receive, in the event of any voluntary or involuntary liquidation, dissolution or winding up of Pro-Fac, \$25.00 per share plus an amount equal to all dividends (whether or not earned or declared) accrued and unpaid thereon to the date of final distribution to such holders. Until the holders of the Cumulative Preferred Stock have been paid such liquidation preference in full, no payment or other distribution will be made on any Junior Liquidation Securities upon the liquidation, dissolution or winding up of Pro-Fac. If amounts available after the payment to holders of all outstanding retains are insufficient to pay, in full, the liquidation value of the Cumulative Preferred Stock, the liquidation value of the Series 1 Preferred Stock, the liquidation value of the Non-Cumulative Preferred Stock and the liquidation value (including accumulated dividends) of any other shares of Parity Liquidation Securities issued and outstanding, payments to holders of the Cumulative Preferred Stock, the Series 1 Preferred Stock, the Class A and B Series Preferred Stock, the Non-Cumulative Preferred Stock and such Parity Liquidation Securities will be made pro-rata. Neither a consolidation or merger of Pro-Fac nor a sale, lease or transfer of all or substantially all of Pro-Fac's assets will be considered a liquidation, dissolution or winding up, voluntary or involuntary, of Pro-Fac.

Voting: Except as required by law, holders of Cumulative Preferred Stock do not have any voting rights with respect to their shares of Cumulative Preferred Stock.

Transferability; Trading Market: Shares of Cumulative Preferred Stock and Non-Cumulative Preferred Stock are freely transferable. The Cumulative Preferred Stock is traded on the NASDAQ National Market System. The trading symbol is PFACP. There is no active trading market for the Non-Cumulative Preferred Stock.

Pro-Fac maintains an ongoing exchange program to allow the exchange of Non-Cumulative Preferred Stock for Cumulative Preferred Stock on a share-for-share basis. A "blackout" period, however, exists between the dividend qualifying date for the Non-Cumulative Preferred Stock and October 16 each year. This prevents a holder from collecting the annual dividend on the Non-Cumulative

Preferred Stock and immediately becoming eligible to collect the quarterly dividend on the Cumulative Preferred Stock.

According to NASDAQ's published guidelines, the Cumulative Preferred Stock would not meet the criteria for continued inclusion in the NASDAQ National Market System if, among other things, the number of publicly held shares of Cumulative

Preferred Stock (excluding Cumulative Preferred Stock held by officers or directors or their immediate family and excluding concentrated holdings of 10 percent or more) was less than 200,000, the aggregate market value of the publicly held Cumulative Preferred Stock was less than \$2 million or there were fewer than two market makers for the Cumulative Preferred Stock. If these standards were not met, quotations might continue to be published in the over-the-counter "additional list" or one of the "local lists" unless, as set forth in NASDAQ's published guidelines, the number of publicly-held shares of Cumulative Preferred Stock (excluding shares held by officers, directors or their immediate family and concentrated holdings of 10 percent or more of the Shares) were less than 100,000, there were fewer than 300 holders in total, or there were not at least one market maker for the Cumulative Preferred Stock. If the shares of Cumulative Preferred Stock are no longer eligible for NASDAQ quotation, quotations might still be available from other sources.

Because it is included in the NASDAQ National Market System, shares of the Cumulative Preferred Stock constitute "margin securities" under the regulations of the Board of Governors of the Federal Reserve System (the "Federal Reserve Board"), which has the effect, among other things, of allowing brokers to extend credit on the collateral of the Cumulative Preferred Stock. If no longer included or reported in market quotations, the Cumulative Preferred Stock would no longer constitute "margin securities" for the purposes of the Federal Reserve Board's margin regulations and, therefore, could no longer be used as collateral for loans made by brokers.

Transfer Agent: The transfer agent, dividend agent and redemption agent for the shares of Cumulative Preferred Stock is Harris Trust Company.

RETAINS -

Annual Allocation: Retains, if any, must be allocated to the accounts of members within 8-1/2 months of the close of the fiscal year. The fiscal year of Pro-Fac ends on the last Saturday of June; it has been and continues to be the policy of Pro-Fac to make the allocation of the retains on or about September 15 of each year. Each member is typically advised of the allocation of qualified and non-qualified retains to his account by means of an investment summary which is mailed to him each year about September 15. There was no allocation of retains for fiscal 1996.

Qualified Retains Mature into Preferred Stock: Qualified retains bear no interest, but five years after issuance they generally mature into preferred stock at the liquidity preference of \$25 per share at the discretion of the Board of Directors. One share of preferred stock for each \$25 of qualified retains is ordinarily issued to holders of qualified retains on or about December 31 following the completion of the fifth year after allocation of the qualified retains. Qualified retains are now created in multiples of \$25 to avoid the necessity of paying fractional amounts in cash. Retains issued prior to fiscal 1996 will convert into Class A Cumulative Preferred Stock unless the holder specifically requests Non-Cumulative Preferred Stock. In the future, it is the intention of the Board of Directors that retains maturing or redeemed will be converted into or redeemed using Class A Cumulative Preferred Stock.

Redemption of Non-Qualified Retains: It is the present intention of the Board of Directors that non-qualified retains will be redeemed, through partial payment in cash and the issuance of Cumulative Preferred Stock, approximately five years after their issuance.

Methods of Allocation of Retains: The bylaws of Pro-Fac provide that the written notice of allocation of retains may contain such terms and conditions as the Board of Directors may deem appropriate. Pro-Fac does not issue actual certificates to represent retains, but rather issues periodic investment summaries showing the allocation of qualified and non-qualified retains to each member.

Adjustment of Amount of Non-Qualified Retains: It is possible that the allocation of proceeds made immediately following the close of a fiscal year may not be final and may require modification because of some event which could occur after the close of the fiscal year. Should such an event require a reduction in the proceeds paid or allocated to members in a previous year, the Board of Directors may in its discretion reduce the amount of the non-qualified retains allocated to the accounts of those members for the year in question.

Transferability of Retains; Absence of Market: Non-qualified retains are not transferable, except to the heirs or personal representative of a member in the event of the member's death. Qualified retains are freely transferable. Although there were, for several years preceding the Acquisition, two broker-dealers making a market in Pro-Fac qualified retains, no such market currently exists, and there can be no assurance that any such market will be reestablished. Historically, sales of qualified retains have been at prices substantially less than the face amount. If a market for Pro-Fac qualified retains is reestablished, the increased leverage of Pro-Fac as a result of the Acquisition,

and the limits on Pro-Fac's ability to repurchase preferred stock resulting from the New Credit Agreement and the Indenture, are likely to decrease the prices at which Pro-Fac qualified retains are traded.

Liquidation Rights: All retains are junior and subordinate to all debts of Pro-Fac. The liquidation rights of the holders of retains are described under "Description of Pro-Fac Securities - Common Stock , Par Value \$5 - Liquidation Rights" above.

RESTRICTIONS ON DIVIDENDS AND OTHER DISTRIBUTIONS
TO MEMBERS AND INVESTORS

The Pro-Fac Bank Guarantee places aggregate dollar limits on the amount Pro-Fac may pay as dividends, stock repurchases or similar distributions to shareholders each fiscal year. The Pro-Fac Bank Guarantee also includes financial covenants with respect to working capital, minimum tangible net worth, long term debt to equity ratio, total net worth, and cash flow coverage that may limit Pro-Fac's ability to pay dividends on its common and preferred stock. Further, because Agrilink and the Bank are the principal sources of cash used by Pro-Fac to pay dividends, the restrictions on payments from Agrilink to (as described in the Pro-Fac Annual Report on Form 10-K) may also limit Pro-Fac's ability to pay dividends on its common and preferred stock.

CERTIFICATES FOR SECURITIES

Except with respect to its Class A Cumulative Preferred Stock, Pro-Fac ordinarily does not issue certificates representing shares of either its common or preferred stock or its members' interests in retains, except upon specific request. In lieu of certificates, Pro-Fac distributes to its members and its non-member security holders periodic computerized statements referred to as "investment summaries." The investment summaries detail the investment of each member or security holder in the securities of Pro-Fac (common stock, Non-Cumulative Preferred Stock and retains) by type of security, number of shares (or dollar amount) and date of issue. In the case of qualified retains, the summaries also indicate the date upon which they are anticipated to be replaced by corresponding par value dollar amounts of preferred stock. Additionally, the investment summaries detail each member's crop commitments to the Cooperative.

PLAN OF DISTRIBUTION

When the Board of Directors determines to offer Common Stock to support delivery rights for an existing or new crop, the offering is implemented by the Agricultural Services Department of the Cooperative. The Agricultural Services Department delivers prospectuses and notices of Common Stock availability to, and has meetings with, existing Cooperative members capable of providing the crop or, if new members are required, qualified growers of the crop near the Agrilink production facility to which the crop will be delivered. The ministerial acts associated with the distribution of retains, the conversion of qualified retains to preferred stock and the redemption of nonqualified retains for cash and/or preferred stock are also handled by the Agricultural Services Department, with the assistance of the Cooperative's transfer agent, where required.

EXPERTS

The financial statements, incorporated by reference to the Annual Report on Form 10-K/A-1 for the year ended June 28, 1997, have been so incorporated in reliance on the report of Price Waterhouse LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

PART II

Information Not Required in Prospectus

ITEM 13. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

The expenses in connection with the issuance and distribution of the securities being registered are as follows:

<S>	<C>
Filing fee for Registration Statement	\$ 1,212.13
Legal fees and expenses	20,000.00*
Accounting fees and expenses	5,000.00*
Blue sky fees and expenses	10,000.00*
Taxes	None
Transfer agents' fees	None
Printing and engraving	30,00.00
Miscellaneous	1,000.00

Total	\$40,212.13

<FN>

*Estimated

</FN>

</TABLE>

ITEM 14. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Sections 721 through 727 of the New York Business Corporation Law permit the registrant to indemnify its officers and directors against liabilities under certain circumstances. Section 726 of the New York Business Corporation Law allows the registrant to purchase and maintain insurance to indemnify (i) the registrant for any obligation which it incurs as a result of the indemnification of directors and officers, (ii) directors and officers in instances in which they may be indemnified by the registrant, and (iii) directors and officers in instances in which they may not otherwise be indemnified by the registrant provided the contract of insurance covering such directors and officers provides, in a manner acceptable to the superintendent of insurance of the State of New York, for a retention amount and for co-insurance. Notwithstanding the foregoing, no such insurance may provide for any payment, other than cost of defense, to or on behalf of any director or officer (i) if a judgment or other final adjudication adverse to the insured director or officer establishes that his acts of active and deliberate dishonesty were material to the cause of action so adjudicated, or that he personally gained in fact a financial profit or other advantage to which he was not legally entitled or (ii) in relation to any risk the insurance of which is prohibited under the insurance law of the State of New York. As permitted by law, the registrant has obtained a policy of directors and officers liability and corporation reimbursement insurance, which is due for renewal on August 15, 1998.

ITEM 16. EXHIBITS

(a) Exhibits:

Exhibit Number	Description
3.3(2)	Certificate of Incorporation of Agrilink.
3.4(3)	Bylaws of Agrilink.
5.0	Opinion and Consent of Harris Beach & Wilcox, LLP.
8.0	Opinion of Harris Beach & Wilcox, LLP regarding tax matters.
10.1(2)	Indenture, dated as of November 3, 1994 (the "Indenture"), among PFAC, Pro-Fac and IBJ Schroder Bank & Trust Company ("IBJ"), as Trustee, as amended by First Supplemental Indenture, dated as of November 3, 1994, each with respect to Agrilink' 12.25 percent Senior Subordinated Notes due 2005 (the "Notes").
10.2(2)	Term Loan, Term Loan Facility and Seasonal Loan Agreement, dated as of November 3, 1994, among Springfield Bank for Cooperatives (the "Bank"), Agrilink and PFAC.
10.3(2)	Parent Guaranty, dated as of November 3, 1994, by Pro-Fac in favor of the Bank.
10.4(2)	Parent Security Agreement, dated as of November 3, 1994 between Pro-Fac and the Bank.

(a) EXHIBITS (Continued):

Exhibit Number	Description
10.5(2)	Mortgage, Open End Mortgage, Deed of Trust, Trust Deed, Deed to Secure Debt, Purchase Money Mortgage, Assignment, Security Agreement and Financing Statement dated November 3, 1994 among PFAC, Agrilink and the Bank.
10.6(2)	Marketing and Facilitation Agreement, dated as of November 3, 1994, between Pro-Fac and Agrilink.

- 10.7(2) Management Incentive Plan, as amended.
- 10.8(2) Supplemental Executive Retirement Plan, as amended.
- 10.10(2) Master Salaried Retirement Plan, as amended.
- 10.11(2) Non-Qualified Profit Sharing Plan, as amended.
- 10.12(2) Excess Benefit Retirement Plan.
- 10.13(5) Salary Continuation Agreement - Dennis M. Mullen.
- 10.14(1) Modification A of Term Loan, Term Loan Facility, and Seasonal Loan Agreement, dated as of January 26, 1995, between Agrilink and the Bank.
- 10.15(1) Second Amendment to Non-Qualified Profit Sharing Plan.
- 10.16(3) Modifications B-D of Term Loan, Term Loan Facility, and Seasonal Loan Agreement Between Agrilink and the Bank.
- 10.17(4) Modifications E-F of Term Loan, Term Loan Facility, and Seasonal Loan Agreement Between Agrilink and the Bank.
- 10.18(4) Equity Value Plan Adopted on June 24, 1996.
- 10.19(4) Seasonal Loan Agreement Between Pro-Fac and the Bank Dated June 28, 1996.
- 10.20(5) Modifications G-K of Term Loan, Term Loan Facility, and Seasonal Loan Agreement Between Agrilink and Bank.
- 10.21(5) OnSite Services Agreement with Systems & Computer Technology.
- 10.22(5) New Product Supply Agreement with Seneca Foods Corporation.
- 10.23(5) Reciprocal Co-Pack Agreement with Seneca Foods Corporation.
- 12 Computation of Ratio of Earnings to Fixed Charges and Preferred Dividends
- 23.1 Consent of Independent Accountants
- 23.2 Consent of Independent Accountants
- 23.3 Consent of Independent Accountants

- (1) Incorporated by reference from Registration Statement No. 33-60273.
- (2) Incorporated by reference from Registration Statement No. 33-56517, as amended.
- (3) Incorporated by reference from the Registrant's 1995 Annual Report on Form 10-K.
- (4) Incorporated by reference from the Registrant's 1996 Annual Report on Form 10-K.
- (5) Incorporated by reference from the Registrant's 1997 Annual Report on Form 10-K.

ITEM 17. UNDERTAKINGS

1. The Registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

- (i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

- (ii) To reflect in the prospectus any facts or event arising after the effective date of this registration statement (or the most recent post-effective amendment hereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement;
- (2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.
- (3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.
- (4) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-2 and has duly caused this Pre-Effective Amendment No. 1 Registration Statement on Form S-2 to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Rochester, State of New York, on the 18th day of December, 1997.

PRO-FAC COOPERATIVE, INC.

BY: /s/ Earl L. Powers
 Earl L. Powers
 Vice President Finance and
 Assistant Treasurer
 (Principle Financial Officer and
 Principle Accounting Officer)

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
-----------	-------	------

*/s/ (BRUCE R. FOX)	President and Director	
----------------------------	------------------------	--

*/s/ (ALBERT P. FAZIO)	Vice President and Director	
-------------------------------	-----------------------------	--

*/s/ Treasurer and Director

(STEVEN D. KOINZAN)

*/s/ Secretary and Director

(TOMMY R. CRONER)

*/s/ Director

(DALE W. BURMEISTER)

*/s/ Director

(ROBERT V. CALL, JR.)

*/s/ Director

(GLEN LEE CHASE)

*/s/ Director

(ROBERT DEBADTS)

*/s/ Director

(KENNETH A. MATTINGLY)

*/s/ Director

(ALLAN W. OVERHISER)

*/s/ Director

(PAUL E. ROE)

*/s/ Director

(DARRELL SARFF)

*/s/ General Manager

(STEPHEN R. WRIGHT) (Principal Executive Officer)

/s/ Earl L. Powers Vice President Finance August 21, 1997

(EARL L. POWERS) and Assistant Treasurer
(Principal Accounting Officer)

Dated: December 18, 1997

*By: /s/ Earl L. Powers

Earl L. Powers, as
Attorney-in-Fact

September 10, 1997

Pro-Fac Cooperative, Inc.
90 Linden Oaks Officer Park
Post Office Box 682
Rochester, New York 14603

Re: Registration Statement on Form S-2

Ladies and Gentlemen:

We have acted as your counsel in connection with a Registration Statement on Form S-2 to be filed by you with the Securities and Exchange Commission (the "Commission") pursuant to the Securities Act of 1933 as amended. Such Registration Statement may be amended, from time to time, by one or more amendments at the request of the Commission, or on your own initiative, either before or after its effective date. The Registration Statement as so amended or to be amended, covers the retains (the "Retains") and the shares of preferred stock, liquidation preference \$25 (the "Preferred Stock"), of Pro-Fac referred to therein.

We have examined originals or copies, identified to our satisfaction, of such documents and records of Pro-Fac, and such other documents and records as we have deemed necessary, as a basis for the opinions hereinafter expressed.

Based on the foregoing, and having regard for such legal considerations as we have deemed relevant, we are of the opinion that, subject to an order or other appropriate action by the Commission declaring the Registration Statement effective, the Retains and Preferred Stock of Pro-Fac, when issued in accordance with the terms and conditions set forth in the prospectus forming part of the Registration Statement to be filed with the Commission (the "Prospectus"), will be legally issued, fully paid and non-assessable, except that under the New York Cooperative Corporations Law each member and each director of Pro-Fac may be personally liable, jointly and severally, for certain amounts owed to employees for services rendered to Pro-Fac, as described in the Prospectus under the caption "Description of Pro-Fac Securities - Common Stock," and except that the amount of outstanding Non-Qualified Retains may be subject to adjustment subsequent to issuance, as described in the Prospectus under the caption

"Description of Pro-Fac Securities - Retains."

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement.

Very truly yours,

HARRIS BEACH & WILCOX LLP

By: /s/ Richard D. Mathewson
Richard D. Mathewson

Exhibit 8

HARRIS
BEACH &
WILCOX
a limited liability
partnership

ATTORNEYS AT LAW

THE GRANITE BUILDING
130 EAST MAIN STREET
ROCHESTER, N.Y.
14604-1687
(716) 232-4440

December 18, 1997

Pro-Fac Cooperative, Inc.
90 Linden Place
Rochester, New York 14625

Re: Pro-Fac Cooperative, Inc.
Pre-Effective Amendment No. 1 to the Registration Statement on Form S-2
File No.: 333-7686

Ladies and Gentlemen:

This opinion is delivered to you in our capacity as counsel to Pro-Fac Cooperative, Inc. (the "Company" or "Pro-Fac") in connection with the Company's Pre-Effective Amendment No. 1 to the Company's Registration Statement on Form S-2 ("Pre-Effective Amendment No. 1") to be filed with the Securities and Exchange Commission under the Securities Act of 1933, as amended, including the prospectus forming a part thereof (the "Prospectus") and any subsequent pre-effective amendments, post-effective amendments, prospectus supplements or exhibits thereto, relating to the public offering of up to \$5,150,000 retains and 776,414 shares of the Company's common stock (the "Offering"). This opinion relates to the federal income tax consequences that are likely to be material to a holder of Pro-Fac's common stock.

We have reviewed the Pre-Effective Amendment No. 1 and the documents incorporated by reference therein (the "Incorporated Documents") that describe

the Company and its investments and activities. We have relied upon the representations of an officer of the Company regarding the manner in which the Company and its affiliates have been and will be owned and operated. We have neither independently investigated nor verified such representations, and this opinion is expressly conditioned upon the accuracy of such representations. We assume that the Company has been and will be operated in accordance with applicable laws and the terms and conditions of applicable documents and that the descriptions of the Company and its actual and proposed activities, operations and governance set forth in the Incorporated Documents continue to be true, correct and complete.

In rendering the following opinion, we have examined the Company's Certificate of Incorporation and the By-Laws of the Company and such other records, certificates and documents, each as amended, as we have deemed necessary or appropriate for purposes of rendering the opinion set forth herein.

In rendering the opinion set forth herein, we have assumed (i) the genuineness of all signatures on documents we have examined, (ii) the authenticity of all documents submitted to us as originals, (iii) the conformity to the original documents of all documents submitted to us as copies, (iv) the conformity of final documents to all documents submitted to us as drafts, (v) the authority and capacity of the individual or individuals who executed any such documents on behalf of any person, (vi) the accuracy and completeness of all records made available to us and (vii) the factual accuracy of all representations, warranties and other statements made by all parties. We also have assumed, without investigation, that all documents, certificates, representations, warranties and covenants on which we have relied in rendering the opinion set forth below and that were given or dated earlier than the date of this letter continue to remain accurate, insofar as relevant to the opinion

set forth herein, from such earlier date through and including the date of this letter and that all representations made to the "best knowledge" of any person(s), or subject to similar qualification, are true and complete as if made without such qualification. Notwithstanding the foregoing, nothing has come to our attention that would cause us to question the accuracy or completeness of the foregoing assumptions. The opinion set forth below is based upon the Internal Revenue Code of 1986, as amended (the "Code"), the income tax regulations and procedures and administration regulations promulgated thereunder and existing administrative and judicial interpretations thereof, all as they exist at the date of this letter. All of the foregoing statutes, regulations and interpretations are subject to change, in some circumstances with retroactive effect; any changes to the foregoing authorities might result in modifications of our opinion contained herein.

Based upon and subject to the foregoing, we are of the opinion that the statements in the Prospectus set forth under the caption "Tax Matters" concerning our opinions as to the federal income tax consequences that are likely to be material to a holder of the Company's common stock, accurately reflect our opinions on the issues discussed and, to the extent such discussion refers to the opinion of this firm, we adopt and incorporate all such opinions, subject to the assumptions and limitations set forth herein.

This opinion is rendered with respect to the federal law of the United States and does not address the laws of any other jurisdiction. We express no opinion other than that expressly set forth herein. Our opinion is not binding on the Internal Revenue Service (the "IRS"), and the IRS may disagree with the opinion contained herein. Except as specifically discussed above, the opinion expressed herein is based upon the federal law as it currently exists. Consequently, future changes in the law may cause the federal income tax treatment of the transactions described herein to be materially and adversely different from that described above.

We consent to being named as counsel to the Company in the Prospectus, to the references in the Prospectus to our firm and to the inclusion of a copy of this opinion letter as an exhibit to the Registration Statement.

Very truly yours,

Harris Beach & Wilcox, LLP

/s/ David M. Mehalick

David M. Mehalick, Partner of the Firm

EXHIBIT 12

PRO-FAC COOPERATIVE, INC.

<TABLE>
(Dollars in Thousands)
<CAPTION>

	Fiscal Year Ended				
	June 26, 1993	June 25, 1994	June 24, 1995	June 29, 1996	June 28, 1997
<S>	<C>	<C>	<C>	<C>	<C>
Computation Of Ratio Of Earnings To Fixed Charges and Preferred Dividends					
Income/(loss) before taxes, dividends and allocation of net proceeds					
from current operations	\$ (17,498)	\$23,698	\$22,525	\$ (9,531)	\$12,697
Deduct - Equity in undistributed earnings of CoBank	(1,486)	(1,541)	(1,288)	(1,532)	(1,143)
	(18,984)	22,157	21,237	(11,063)	11,554
Fixed charges:					
Interest expense	13,753	11,587	29,035	41,998	36,473
Rentals (A)	0	0	800	1,420	1,457
Total fixed charges	13,753	11,587	29,835	43,418	37,930
Adjusted earning/(loss) before fixed charges	\$ (5,231)	\$33,744	\$51,072	\$32,355	\$49,484
Preferred dividends	\$ 3,893	\$ 3,717	\$ 4,348	\$ 8,523	\$ 5,503
Add - Adjustment to reflect preferred dividends on a pretax basis ¹	0	0	0	4,391	2,835
Preferred dividends on a pretax basis	3,893	3,717	4,348	12,914	8,338
Fixed charges	13,753	11,587	29,835	43,418	37,930
Total	\$ 17,646	\$15,304	\$34,183	\$56,332	\$46,268
Ratio of earnings to fixed charges and preferred dividends	(B)	2.2:1	1.5:1	(B)	1.1:1
Computation of Pro Forma Ratio of Earnings to Fixed Charges and Preferred Dividends					
Adjusted earnings/(loss) before fixed charges, as above	\$ (5,231)	\$33,744	\$51,072	\$32,355	\$49,484
Total fixed charges and pretax basis preferred dividends, as above	\$ 17,646	\$15,304	\$34,183	\$56,332	\$46,268
Proforma preferred dividends assuming all "Retains" were converted into preferred stock (retained earnings allocated to members times the maximum dividend rate permitted by law of 12 percent)	4,391	4,218	5,325	4,422	4,070
Add - Adjustments to reflect preferred dividends on a pretax basis ¹	0	0	0	2,278	2,097
	4,391	4,218	5,325	6,700	6,167
Pro forma total fixed charges and pretax basis preferred dividends	\$ 22,037	\$19,522	\$39,508	\$63,032	\$52,435
Pro forma ratio of earnings to fixed charges and preferred dividends	(C)	1.7:1	1.3:1	(C)	(C)

<FN>

(A) Rentals deemed representative of the interest factor included in rent expense.

(B) In fiscal years ended June 26, 1993 and June 29, 1996, the earnings were inadequate by \$22,877 and \$23,977, respectively, to cover fixed charges and pretax-basis preferred dividends.

(C) In fiscal years ended June 26, 1993, June 29, 1996, and June 28, 1997, the earnings were inadequate by \$27,268, \$30,677, and \$2,951, respectively, to cover the amount of fixed charges and pretax-basis preferred dividends which would have been declared and paid if all retained earnings allocated to members' retains at the end of each fiscal periods had been converted to preferred stock at the beginning of the period at the maximum dividend permitted by law.

¹ As a tax-exempt Cooperative until the acquisition of Agrilink, cash dividends paid were an allowable deduction for computation of taxable income.

</FN>
</TABLE>

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Prospectus constituting part of this Registration Statement on Form S-2 of our report dated August 1, 1997 appearing on page 22 of the Annual Report on Form 10-K of Pro-Fac Cooperative, Inc. for the year ended June 28, 1997. We also consent to the application of such report to the Financial Statement Schedule for the three years ended June 28, 1997 listed under Item 14(a) of Pro-Fac Cooperative, Inc.'s Annual Report on Form 10-K for the year ended June 28, 1997 when such schedule is read in conjunction with the financial statements referred to in our report. The audits referred to in such report also included this Financial Statement Schedule. We also consent to the reference to us under the heading "Experts" in such Prospectus.

/s/ Price Waterhouse LLP
PRICE WATERHOUSE LLP

Rochester, New York
December 18, 1997

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Prospectus constituting part of this Registration Statement on Form S-2 of our report dated August 1, 1997 relating to the consolidated financial statements of Agrilink Foods, Inc. (Predecessor Company) appearing on page 20 of the Annual Report on Form 10-K of Agrilink Foods, Inc. for the year ended June 28, 1997. We also consent to the application of such report to the related Financial Statement Schedule for the period from June 26, 1994 to November 3, 1994 listed under Item 14(a) of Agrilink Foods' Annual Report on Form 10-K for the year ended June 28, 1997 when such schedule is read in conjunction with the financial statements referred to in our report. The audits referred to in such report also included this Financial Statement Schedule. We also consent to the reference to us under the heading "Experts" in such Prospectus.

/s/ Price Waterhouse LLP
PRICE WATERHOUSE LLP

Rochester, New York
December 18, 1997

Consent of Independent Accountants

We hereby consent to the incorporation by reference in the Prospectus constituting part of this Registration Statement on Form S-2 of our report dated August 1, 1997 relating to the consolidated financial statements of Agrilink Foods, Inc. (Successor Company), appearing on page 21 of the Annual Report on Form 10-K of Agrilink Foods, Inc. for the year ended June 28, 1997. We also consent to the application of such report to the related Financial Statement Schedule for the fiscal years ended June 28, 1997 and June 29, 1996 and the period from November 4, 1994 to June 25, 1995 listed under Item 14(a) of Agrilink Foods, Inc.'s Annual Report on Form 10-K for the year ended June 28, 1997 when such schedule is read in conjunction with the financial statements referred to in our report. The audits referred to in such report also included this Financial Statement Schedule. We also consent to the reference to us under the heading "Experts" in such Prospectus.

/s/ Price Waterhouse LLP
PRICE WATERHOUSE LLP

Rochester, New York
December 18, 1997